

Anderson Township

Hamilton County

Regular Audit

January 1, 2008 through December 31, 2009

Years Audited Under GAGAS: 2009 and 2008



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Mary Taylor, CPA

Auditor of State

Board of Trustees
Anderson Township
7850 Five Mile Road
Cincinnati, Ohio 45230

We have reviewed the *Independent Auditor's Report* of Anderson Township, Hamilton County, prepared by Balestra, Harr & Scherer, CPAs, Inc., for the audit period January 1, 2008 through December 31, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Anderson Township is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

October 15, 2010

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Anderson Township
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Independent Auditor's Report

Anderson Township
Hamilton County, Ohio
7850 Five Mile Road
Cincinnati, Ohio 45230

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Anderson Township, Hamilton County, Ohio (the Township), as of and for the years ended December 31, 2009 and 2008, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

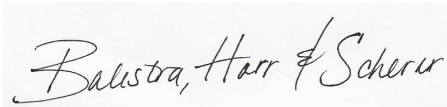
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

As discussed in Note 2, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Anderson Township, Hamilton County, Ohio, as of December 31, 2009 and 2008, and the respective changes in cash financial position and the respective budgetary comparisons for the General and the Fire District Funds thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2010, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in cursive script that reads "Balestra, Harr & Scherer". The signature is written in black ink on a light-colored background.

Balestra, Harr & Scherer, CPAs, Inc.
June 30, 2010

Anderson Township
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

This discussion and analysis of Anderson Township's financial performance provides an overall review of the Township's financial activities for the years ended December 31, 2009 and 2008 within the limitations of the Township's cash basis of accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

Highlights

Key highlights for 2009 and 2008 are as follows:

Net assets decreased \$1,348,617, or 3.9%, between 2008 and 2009. Net assets of governmental activities decreased \$6,110,783, or 15.1%, between 2007 and 2008.

The Township's general receipts are primarily property taxes, payments in lieu of taxes, and grants. These receipts represent 40.1%, 31.4%, and 13.2%, respectively, of the total cash received for governmental activities during 2009. These receipts represent 42.4%, 27.0%, and 13.3% of total cash received for governmental activities during 2008.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Township's cash basis of accounting.

Report Components

The statement of net assets and the statement of activities provide information about the cash activities of the Township as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Township as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the basic financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Township has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America. Under the Township's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Anderson Township
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

Reporting the Township as a Whole

The statement of net assets and the statement of activities reflect how the Township did financially during 2009 and 2008, within the limitations of cash basis of accounting. The statement of net assets presents the cash balances and investments of the governmental activities of the Township at year end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function or activity draws from the Township's general receipts.

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Township's financial health. Over time, increases or decreases in the Township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other non-financial factors such as the Township's property tax base, the condition of the Township's capital assets and infrastructure, the extent of the Township's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property and income taxes.

In the statement of net assets and the statement of activities, the Township has one type of activity:

Governmental activities. Most of the Township's basic services are reported here, including general government, public safety, and public works, such as road and bridge construction and maintenance. State and federal grants and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Reporting the Township's Most Significant Funds

Fund financial statements provide detailed information about the Township's major funds, not the Township as a whole. The Township establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Township are contained in one category:

Governmental funds - All of the Township's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Township's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. The information for non-major funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Township's major governmental funds for 2009 are the General Fund, Fire District Fund, and TIF Fund. The Township's major governmental funds for 2008 are the General Fund, Fire District Fund, Debt Service Fund, Permanent Improvement Fund, and TIF Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the government-wide statements.

Anderson Township
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

The Township as a Whole

Table 1 provides a summary of the Township's net assets for 2009, compared with 2008 on a cash basis:

Table 1	Governmental Activities	
	2009	2008
Assets		
Equity in Pooled		
Cash and Investments	\$ 32,980,094	\$ 34,328,711
Total Assets	\$ 32,980,094	\$ 34,328,711
Net Assets		
Restricted	\$ 17,415,222	\$ 18,468,896
Unrestricted	15,564,872	15,859,815
Total Net Assets	\$ 32,980,094	\$ 34,328,711

As mentioned previously, net assets of governmental activities decreased \$1,348,617, or 3.9%, during 2009 and decreased \$6,110,783, or 15.1%, during 2008. These changes are a result of changes in receipts and disbursements between years. This will be discussed further with Table 2 below which reflects the changes in net assets in 2009 and 2008.

Table 2	Governmental Activities	
	2009	2008
Receipts		
Program Receipts		
Charges for Services and Sales	\$ 1,655,418	\$ 1,316,098
Operating Grants and Contributions	317,616	322,363
Capital Grants and Contributions	1,044,959	916,842
Total Program Receipts	3,017,993	2,555,303
General Receipts		
Property and Other Taxes	13,588,552	12,063,030
Grants and Entitlements not Restricted to Specific Programs	4,476,047	3,772,775
Payments in Lieu of Taxes	10,630,035	7,688,299
Interest	248,929	2,050,012
Miscellaneous	1,920,329	336,343
Total General Receipts	30,863,892	25,910,459
Total Receipts	33,881,885	28,465,762
Disbursements		
General Government	3,888,834	3,727,647
Public Safety	10,721,998	10,112,886
Public Works	3,267,773	3,544,437
Health	94,401	91,631
Conservation-Recreation	148,800	54,803
Capital Outlay	13,832,474	13,771,519
Debt Service		
Principal	2,017,741	1,940,032
Interest	1,258,481	1,333,590
Total Disbursements	35,230,502	34,576,545
Change in Net Assets	(1,348,617)	(6,110,783)
Beginning Net Assets	34,328,711	40,439,494
Ending Net Assets	\$ 32,980,094	\$ 34,328,711

Anderson Township
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

For 2009 and 2008, program receipts represent only 8.9% and 9.0%, respectively, of total receipts and are comprised of charges for services and sales, operating grants and contributions and capital grants and contributions.

For 2009 and 2008, general receipts represent 91.1% and 91.0%, respectively, of the Township's total receipts. Property and other tax receipts represent 40.1% and 42.4%, respectively, of total receipts. Payments in lieu of taxes comprised 31.4% and 27.0%, respectively, of the Township's general receipts. Unrestricted grants and entitlements comprised 13.2% and 13.3%, of general receipts. Property taxes and Payments in lieu of taxes increased due to a new public safety tax levy that began collections in 2009. Interest decreased significantly due to decreased cash on hand throughout each year and also due to decreases in interest rates. Miscellaneous receipts increased due to refunds from prior year disbursements.

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Township activities.

Public Safety is the costs of fire protection services which increased in 2009 due to additional services being provided. Public Works is the cost of maintaining and repairing roads, bridges, and similar items of the Township.

Governmental Activities

If you look at the Statement of Activities on pages 10 and 16, you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. The major program disbursements during 2009 for governmental activities are for General Government, Public Safety and Public Works, which account for 11.04%, 30.4% and 9.3% of all governmental disbursements, respectively. The next two columns of the Statement entitled Program Cash Receipts identify amounts paid by people who are directly charged for the service and grants received by the Township that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

Table 3	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2009	2009	2008	2008
General Government	\$ 3,888,834	\$ 3,290,859	\$ 3,727,647	\$ 3,150,448
Public Safety	10,721,998	9,992,433	10,112,886	9,464,894
Public Works	3,267,773	2,627,189	3,544,437	3,133,622
Health	94,401	94,401	91,631	91,631
Conservation-Recreation	148,800	143,890	54,803	52,348
Capital Outlay	13,832,474	12,787,515	13,771,519	12,854,677
Debt Service				
Principal	2,017,741	2,017,741	1,940,032	1,940,032
Interest	1,258,481	1,258,481	1,333,590	1,333,590
Total Disbursements	<u>\$ 35,230,502</u>	<u>\$ 32,212,509</u>	<u>\$ 34,576,545</u>	<u>\$ 32,021,242</u>

Anderson Township
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

The dependence upon property and other tax receipts, payments in lieu of taxes, and unrestricted grants and entitlements is apparent as nearly 81.4% and 68.0% of 2009 and 2008 governmental activities disbursements are supported through these general receipts, respectively.

The Township's Funds

For 2009 and 2008, total governmental funds had receipts and other financing sources of \$35,463,318 and \$31,289,311, respectively, and disbursements and other financing uses of \$36,811,935 and \$37,400,094, respectively.

The fund balance of the General fund decreased \$294,943 between 2008 and 2009. Interest receipts decreased \$1,630,149 between 2008 and 2009 due to decreased cash on hand and declining interest rates, which offset by a decrease in transfers out \$2,146,116. General government expenditures increased \$180,707 between 2008 and 2009 primarily due to salary increases and additional outside facilities maintenance.

The fund balance of the General fund decreased \$962,395 between 2007 and 2008. Interest receipts decreased \$259,286 between 2007 and 2008 due to decreased cash on hand and declining interest rates, which was partially offset by an increase in other receipts in the amount of \$112,904 between 2007 and 2008. General government expenditures increased \$582,045 between 2007 and 2008 primarily due to salary increases and additional outside facilities maintenance. Transfers out increased in the amount of \$981,725 between 2007 and 2008 which was primarily for debt service.

The fund balance of the Fire District fund increased \$1,208,874 between 2008 and 2009 due to an increase in property and other local tax revenue. The fund balance of the Fire District fund increased \$273,652 between 2007 and 2008. Public safety disbursements increased between 2007 and 2008 as the fire district provided additional services.

The fund balance of the Debt Service fund increased \$195,583 between 2007 and 2008. Property and other local tax receipts increased \$781,385, while disbursements decreased significantly due to the payment of an anticipation note in 2007. The fund balance of the Permanent Improvement fund decreased \$4,126,963 between 2007 and 2008. This decrease is due to the capital outlay during 2008 for the construction project of the administration center.

The fund balance of the TIF fund decreased \$1,354,639 between 2008 and 2009. The decrease is due to an increase in capital outlay disbursements which was partially offset by the increase in intergovernmental and payments in lieu of taxes receipts increased from the prior year. The fund balance of the TIF fund decreased \$538,505 between 2007 and 2008. Intergovernmental and payments in lieu of taxes receipts increased from the prior year, while capital outlay disbursements decreased; however, receipts were still less than disbursements during 2008.

General Fund Budgeting Highlights

The Township's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. One of the more significant budgeted funds is the General Fund.

During 2009 the Township amended its General Fund budget for receipts for additional intergovernmental revenue to be received. In 2009, actual receipts were higher than final budgeted amounts in the amount of \$173,370. In 2008 actual receipts were higher than budgeted receipts primarily due to intergovernmental receipts and interest receipts being higher than anticipated.

For 2009 and 2008, final budgeted disbursements and other financing uses were \$6,160,597 and \$8,068,657, respectively, while actual disbursements were \$5,333,420 and \$7,326,774, respectively, primarily due to increased public safety and capital outlay expenditures in 2009 and lower expenditures than were anticipated for public safety in 2008.

Anderson Township
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

Capital Assets and Debt Administration

Capital Assets

The Township does not currently keep track of its capital assets and infrastructure. Acquisitions of property, plant and equipment are recorded as disbursements when paid.

Debt

At December 31, 2009 and 2008, the Township's outstanding debt included \$25,040,000 and \$26,795,000, respectively in bonds and notes outstanding for the construction of an administrative center. For further information regarding the Township's debt, refer to Note 9 to the basic financial statements.

Current Issues

The challenge for all Townships is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. We rely heavily on local taxes and have very little industry to support the tax base. We will work diligently to maintain the highest level of services to our residents at the lowest possible cost.

Contacting the Township's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Township's finances and to reflect the Township's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Kenneth G. Dietz, Fiscal Officer, Anderson Township at Anderson Center, 7850 Five Mile Road, Cincinnati, Ohio 45230.

Anderson Township
Statement of Net Assets - Cash Basis
December 31, 2009

	Governmental Activities
Assets	
Equity in Pooled Cash and Investments	\$32,980,094
<i>Total Assets</i>	\$32,980,094
Net Assets	
Restricted for:	
Fire District	\$2,139,417
Permanent Improvements	1,362,775
Tax Increment Financing Projects	6,672,425
Road and Bridge	2,627,900
Police Services	2,453,164
Debt Service	556,770
Other Purposes	1,602,771
Unrestricted	15,564,872
<i>Total Net Assets</i>	\$32,980,094

See accompanying notes to the basic financial statements.

Anderson Township
Statement of Activities - Cash Basis
For the Year Ended December 31, 2009

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Assets	
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General Government	\$3,888,834	\$597,975	\$0	\$0	(\$3,290,859)
Public Safety	10,721,998	729,565	0	0	(9,992,433)
Public Works	3,267,773	327,878	312,706	0	(2,627,189)
Health	94,401	0	0	0	(94,401)
Conservation-Recreation	148,800	0	4,910	0	(143,890)
Capital Outlay	13,832,474	0	0	1,044,959	(12,787,515)
Debt Service					
Principal	2,017,741	0	0	0	(2,017,741)
Interest	1,258,481	0	0	0	(1,258,481)
<i>Total Governmental Activities</i>	<u>\$35,230,502</u>	<u>\$1,655,418</u>	<u>\$317,616</u>	<u>\$1,044,959</u>	<u>(32,212,509)</u>
		General Receipts			
		Property Taxes Levied for:			
		General Purposes			119,890
		Road & Bridge			2,020,653
		Fire District			7,767,028
		Police District			1,758,126
		Permissive Motor Vehicle License			328,955
		Debt Service			1,593,900
		Grants and Entitlements not Restricted to Specific Programs			4,476,047
		Payments in Lieu of Taxes			10,630,035
		Interest			248,929
		Miscellaneous			1,920,329
		<i>Total General Receipts</i>			<u>30,863,892</u>
		Change in Net Assets			(1,348,617)
		<i>Net Assets Beginning of Year</i>			<u>34,328,711</u>
		<i>Net Assets End of Year</i>			<u>\$32,980,094</u>

See accompanying notes to the basic financial statements.

Anderson Township
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2009

	General	Fire District Fund	TIF Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Investments	\$15,564,872	\$2,139,417	\$6,672,425	\$8,603,380	\$32,980,094
<i>Total Assets</i>	<u>\$15,564,872</u>	<u>\$2,139,417</u>	<u>\$6,672,425</u>	<u>\$8,603,380</u>	<u>\$32,980,094</u>
Fund Balances					
Reserved:					
Reserved for Encumbrances	\$1,039,607	\$99,747	\$4,042,713	\$1,556,021	\$6,738,088
Unreserved:					
Undesignated (Deficit), Reported in:					
General Fund	14,525,265	0	0	0	14,525,265
Special Revenue Funds	0	2,039,670	0	5,127,814	7,167,484
Debt Service Fund	0	0	0	556,770	556,770
Capital Projects Funds	0	0	2,629,712	1,362,775	3,992,487
<i>Total Fund Balances</i>	<u>\$15,564,872</u>	<u>\$2,139,417</u>	<u>\$6,672,425</u>	<u>\$8,603,380</u>	<u>\$32,980,094</u>

See accompanying notes to the basic financial statements.

Anderson Township
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	General	Fire District Fund	TIF Fund	Other Governmental Funds	Total Governmental Funds
Receipts					
Property and Other Local Taxes	\$119,890	\$7,767,028	\$0	\$5,701,634	\$13,588,552
Charges for Services	0	729,565	0	0	729,565
Licenses, Permits and Fees	519,642	0	0	57,153	576,795
Fines and Forfeitures	21,180	0	0	0	21,180
Intergovernmental	2,763,831	1,143,494	1,044,959	886,338	5,838,622
Payments in Lieu of Taxes	0	0	10,630,035	0	10,630,035
Special Assessments	0	0	0	327,878	327,878
Interest	224,280	0	0	24,649	248,929
Other	350,047	171,267	0	1,399,015	1,920,329
<i>Total Receipts</i>	<u>3,998,870</u>	<u>9,811,354</u>	<u>11,674,994</u>	<u>8,396,667</u>	<u>33,881,885</u>
Disbursements					
Current:					
General Government	3,246,765	0	0	642,069	3,888,834
Public Safety	45,032	8,552,370	0	2,124,596	10,721,998
Public Works	85,253	0	0	3,182,520	3,267,773
Health	94,401	0	0	0	94,401
Conservation-Recreation	3,474	0	0	145,326	148,800
Capital Outlay	141,455	50,110	13,029,633	611,276	13,832,474
Debt Service:					
Principal Retirement	0	0	0	2,017,741	2,017,741
Interest and Fiscal Charges	0	0	0	1,258,481	1,258,481
<i>Total Disbursements</i>	<u>3,616,380</u>	<u>8,602,480</u>	<u>13,029,633</u>	<u>9,982,009</u>	<u>35,230,502</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>382,490</u>	<u>1,208,874</u>	<u>(1,354,639)</u>	<u>(1,585,342)</u>	<u>(1,348,617)</u>
Other Financing Sources (Uses)					
Transfers In	0	0	0	1,581,433	1,581,433
Transfers Out	(677,433)	0	0	(904,000)	(1,581,433)
<i>Total Other Financing Sources (Uses)</i>	<u>(677,433)</u>	<u>0</u>	<u>0</u>	<u>677,433</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(294,943)	1,208,874	(1,354,639)	(907,909)	(1,348,617)
<i>Fund Balances Beginning of Year</i>	<u>15,859,815</u>	<u>930,543</u>	<u>8,027,064</u>	<u>9,511,289</u>	<u>34,328,711</u>
<i>Fund Balances End of Year</i>	<u>\$15,564,872</u>	<u>\$2,139,417</u>	<u>\$6,672,425</u>	<u>\$8,603,380</u>	<u>\$32,980,094</u>

See accompanying notes to the basic financial statements.

Anderson Township
*Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budgetary Basis
General Fund
For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$111,000	\$114,000	\$119,890	\$5,890
Licenses, Permits and Fees	664,600	682,400	519,642	(162,758)
Fines and Forfeitures	30,000	30,000	21,180	(8,820)
Intergovernmental	2,150,300	2,611,600	2,763,831	152,231
Interest	140,000	209,000	224,280	15,280
Other	135,000	178,500	350,047	171,547
<i>Total Receipts</i>	3,230,900	3,825,500	3,998,870	173,370
Disbursements				
Current:				
General Government	3,970,400	4,291,548	3,725,991	565,557
Public Safety	115,000	239,699	216,433	23,266
Public Works	88,000	106,900	85,253	21,647
Health	96,000	116,618	94,401	22,217
Conservation-Recreation	2,000	6,074	3,474	2,600
Capital Outlay	136,000	593,149	530,435	62,714
<i>Total Disbursements</i>	4,407,400	5,353,988	4,655,987	698,001
<i>Excess of Receipts Over (Under) Disbursements</i>	(1,176,500)	(1,528,488)	(657,117)	871,371
Other Financing Sources (Uses)				
Transfers Out	(664,000)	(806,609)	(677,433)	129,176
<i>Total Other Financing Sources (Uses)</i>	(664,000)	(806,609)	(677,433)	129,176
<i>Net Change in Fund Balance</i>	(1,840,500)	(2,335,097)	(1,334,550)	1,000,547
<i>Fund Balance Beginning of Year</i>	14,770,619	14,770,619	14,770,619	0
<i>Prior Year Encumbrances Appropriated</i>	1,089,196	1,089,196	1,089,196	0
<i>Fund Balance End of Year</i>	\$14,019,315	\$13,524,718	\$14,525,265	\$1,000,547

See accompanying notes to the basic financial statements.

Anderson Township
*Statement of Receipts, Disbursements and Changes
 In Fund Balance - Budget and Actual -Budgetary Basis
 Fire District Fund
 For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
Property and Other Local Taxes	\$7,705,000	\$7,812,100	\$7,767,028	(\$45,072)
Charges for Services	700,000	700,000	729,565	29,565
Intergovernmental	821,000	1,079,920	1,143,494	63,574
Other	205,000	165,800	171,267	5,467
<i>Total Receipts</i>	<u>9,431,000</u>	<u>9,757,820</u>	<u>9,811,354</u>	<u>53,534</u>
Disbursements				
Current:				
Public Safety	8,687,000	8,789,125	8,643,181	145,944
Capital Outlay	55,000	59,556	59,046	510
<i>Total Disbursements</i>	<u>8,742,000</u>	<u>8,848,681</u>	<u>8,702,227</u>	<u>146,454</u>
<i>Net Change in Fund Balance</i>	689,000	909,139	1,109,127	199,988
<i>Fund Balance Beginning of Year</i>	823,862	823,862	823,862	0
<i>Prior Year Encumbrances Appropriated</i>	<u>106,681</u>	<u>106,681</u>	<u>106,681</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,619,543</u></u>	<u><u>\$1,839,682</u></u>	<u><u>\$2,039,670</u></u>	<u><u>\$199,988</u></u>

See accompanying notes to the basic financial statements.

Anderson Township
Statement of Net Assets - Cash Basis
December 31, 2008

	Governmental Activities
Assets	
Equity in Pooled Cash and Investments	\$34,328,711
<i>Total Assets</i>	\$34,328,711
 Net Assets	
Restricted for:	
Fire District	\$930,543
Permanent Improvements	1,299,908
Tax Increment Financing Projects	8,027,064
Road and Bridge	2,867,640
Police Services	2,646,443
Debt Service	997,191
Other Purposes	1,700,107
Unrestricted	15,859,815
<i>Total Net Assets</i>	\$34,328,711

See accompanying notes to the basic financial statements.

Anderson Township
Statement of Activities - Cash Basis
For the Year Ended December 31, 2008

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Assets	
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General Government	\$3,727,647	\$577,199	\$0	\$0	(\$3,150,448)
Public Safety	10,112,886	647,992	0	0	(9,464,894)
Public Works	3,544,437	90,907	319,908	0	(3,133,622)
Health	91,631	0	0	0	(91,631)
Conservation-Recreation	54,803	0	2,455	0	(52,348)
Capital Outlay	13,771,519	0	0	916,842	(12,854,677)
Debt Service					
Principal	1,940,032	0	0	0	(1,940,032)
Interest	1,333,590	0	0	0	(1,333,590)
<i>Total Governmental Activities</i>	<u>\$34,576,545</u>	<u>\$1,316,098</u>	<u>\$322,363</u>	<u>\$916,842</u>	<u>(32,021,242)</u>
		General Receipts			
		Property Taxes Levied for:			
		General Purposes			114,082
		Road & Bridge			1,981,481
		Fire District			5,056,863
		Police District			1,621,662
		Permissive Motor Vehicle License			328,572
		Debt Service			2,960,370
		Grants and Entitlements not Restricted to Specific Programs			3,772,775
		Payments in Lieu of Taxes			7,688,299
		Interest			2,050,012
		Miscellaneous			336,343
		<i>Total General Receipts</i>			<u>25,910,459</u>
		Change in Net Assets			(6,110,783)
		<i>Net Assets Beginning of Year</i>			<u>40,439,494</u>
		<i>Net Assets End of Year</i>			<u>\$34,328,711</u>

See accompanying notes to the basic financial statements.

Anderson Township
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2008

	General	Fire District Fund	Debt Service Fund	Permanent Improvement Fund	TIF Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Equity in Pooled Cash and Investments	\$15,859,815	\$930,543	\$997,191	\$1,299,908	\$8,027,064	\$7,214,190	\$34,328,711
<i>Total Assets</i>	<u>\$15,859,815</u>	<u>\$930,543</u>	<u>\$997,191</u>	<u>\$1,299,908</u>	<u>\$8,027,064</u>	<u>\$7,214,190</u>	<u>\$34,328,711</u>
Fund Balances							
Reserved:							
Reserved for Encumbrances	\$1,089,196	\$106,681	\$0	\$1,085,097	\$6,255,139	\$690,015	\$9,226,128
Unreserved:							
Undesignated (Deficit), Reported in:							
General Fund	14,770,619	0	0	0	0	0	14,770,619
Special Revenue Funds	0	823,862	0	0	0	6,524,175	7,348,037
Debt Service Fund	0	0	997,191	0	0	0	997,191
Capital Projects Funds	0	0	0	214,811	1,771,925	0	1,986,736
<i>Total Fund Balances</i>	<u>\$15,859,815</u>	<u>\$930,543</u>	<u>\$997,191</u>	<u>\$1,299,908</u>	<u>\$8,027,064</u>	<u>\$7,214,190</u>	<u>\$34,328,711</u>

See accompanying notes to the basic financial statements.

Anderson Township
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2008

	General	Fire District Fund	Debt Service Fund	Permanent Improvement Fund	TIF Fund	Other Governmental Funds	Total Governmental Funds
Receipts							
Property and Other Local Taxes	\$114,082	\$5,056,863	\$2,960,370	\$0	\$0	\$3,931,715	\$12,063,030
Charges for Services	0	647,992	0	0	0	0	647,992
Licenses, Permits and Fees	500,440	0	0	0	0	43,712	544,152
Fines and Forfeitures	33,047	0	0	0	0	0	33,047
Intergovernmental	2,571,972	687,224	0	0	916,842	835,942	5,011,980
Payments in Lieu of Taxes	0	0	0	0	7,688,299	0	7,688,299
Special Assessments	0	0	0	0	0	90,907	90,907
Interest	1,854,429	0	195,583	0	0	0	2,050,012
Other	201,213	69,215	0	6,417	0	59,498	336,343
<i>Total Receipts</i>	<u>5,275,183</u>	<u>6,461,294</u>	<u>3,155,953</u>	<u>6,417</u>	<u>8,605,141</u>	<u>4,961,774</u>	<u>28,465,762</u>
Disbursements							
Current:							
General Government	3,066,058	0	0	0	0	661,589	3,727,647
Public Safety	75,729	8,110,339	0	0	0	1,926,818	10,112,886
Public Works	71,945	0	0	0	0	3,472,492	3,544,437
Health	91,631	0	0	0	0	0	91,631
Conservation-Recreation	852	0	0	0	0	53,951	54,803
Capital Outlay	107,814	277,303	0	4,133,380	9,143,646	109,376	13,771,519
Debt Service:							
Principal Retirement	0	0	1,685,000	0	0	255,032	1,940,032
Interest and Fiscal Charges	0	0	1,275,370	0	0	58,220	1,333,590
<i>Total Disbursements</i>	<u>3,414,029</u>	<u>8,387,642</u>	<u>2,960,370</u>	<u>4,133,380</u>	<u>9,143,646</u>	<u>6,537,478</u>	<u>34,576,545</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,861,154</u>	<u>(1,926,348)</u>	<u>195,583</u>	<u>(4,126,963)</u>	<u>(538,505)</u>	<u>(1,575,704)</u>	<u>(6,110,783)</u>
Other Financing Sources (Uses)							
Transfers In	0	2,200,000	0	0	0	623,549	2,823,549
Transfers Out	(2,823,549)	0	0	0	0	0	(2,823,549)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,823,549)</u>	<u>2,200,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>623,549</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(962,395)	273,652	195,583	(4,126,963)	(538,505)	(952,155)	(6,110,783)
<i>Fund Balances Beginning of Year</i>	<u>16,822,210</u>	<u>656,891</u>	<u>801,608</u>	<u>5,426,871</u>	<u>8,565,569</u>	<u>8,166,345</u>	<u>40,439,494</u>
<i>Fund Balances End of Year</i>	<u>\$15,859,815</u>	<u>\$930,543</u>	<u>\$997,191</u>	<u>\$1,299,908</u>	<u>\$8,027,064</u>	<u>\$7,214,190</u>	<u>\$34,328,711</u>

See accompanying notes to the basic financial statements.

Anderson Township
*Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budgetary Basis
General Fund
For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$109,600	\$109,600	\$114,082	\$4,482
Licenses, Permits and Fees	500,000	500,000	500,440	440
Fines and Forfeitures	0	0	33,047	33,047
Intergovernmental	1,733,250	1,733,250	2,571,972	838,722
Interest	915,000	915,000	1,854,429	939,429
Other	265,000	265,000	201,213	(63,787)
<i>Total Receipts</i>	<u>3,522,850</u>	<u>3,522,850</u>	<u>5,275,183</u>	<u>1,752,333</u>
Disbursements				
Current:				
General Government	3,505,500	4,021,080	3,595,396	425,684
Public Safety	225,000	441,193	238,229	202,964
Public Works	88,000	88,239	71,945	16,294
Health	96,000	108,601	91,631	16,970
Conservation-Recreation	5,000	3,394	852	2,542
Capital Outlay	536,000	582,601	505,172	77,429
<i>Total Disbursements</i>	<u>4,455,500</u>	<u>5,245,108</u>	<u>4,503,225</u>	<u>741,883</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(932,650)</u>	<u>(1,722,258)</u>	<u>771,958</u>	<u>2,494,216</u>
Other Financing Sources (Uses)				
Transfers Out	(2,845,600)	(2,823,549)	(2,823,549)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(2,845,600)</u>	<u>(2,823,549)</u>	<u>(2,823,549)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(3,778,250)	(4,545,807)	(2,051,591)	2,494,216
<i>Fund Balance Beginning of Year</i>	16,213,602	16,213,602	16,213,602	0
<i>Prior Year Encumbrances Appropriated</i>	<u>608,608</u>	<u>608,608</u>	<u>608,608</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$13,043,960</u></u>	<u><u>\$12,276,403</u></u>	<u><u>\$14,770,619</u></u>	<u><u>\$2,494,216</u></u>

See accompanying notes to the basic financial statements.

Anderson Township
*Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budgetary Basis
Fire District Fund
For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
Property and Other Local Taxes	\$4,780,000	\$4,780,000	\$5,056,863	\$276,863
Charges for Services	750,000	750,000	647,992	(102,008)
Intergovernmental	890,000	890,000	687,224	(202,776)
Other	69,000	69,000	69,215	215
<i>Total Receipts</i>	<u>6,489,000</u>	<u>6,489,000</u>	<u>6,461,294</u>	<u>(27,706)</u>
Disbursements				
Current:				
Public Safety	8,716,350	8,434,236	8,197,654	236,582
Capital Outlay	75,000	384,557	296,669	87,888
<i>Total Disbursements</i>	<u>8,791,350</u>	<u>8,818,793</u>	<u>8,494,323</u>	<u>324,470</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(2,302,350)</u>	<u>(2,329,793)</u>	<u>(2,033,029)</u>	<u>296,764</u>
Other Financing Sources (Uses)				
Transfers In	2,200,000	2,200,000	2,200,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>2,200,000</u>	<u>2,200,000</u>	<u>2,200,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(102,350)	(129,793)	166,971	296,764
<i>Fund Balance Beginning of Year</i>	529,448	529,448	529,448	0
<i>Prior Year Encumbrances Appropriated</i>	127,443	127,443	127,443	0
<i>Fund Balance End of Year</i>	<u>\$554,541</u>	<u>\$527,098</u>	<u>\$823,862</u>	<u>\$296,764</u>

See accompanying notes to the basic financial statements.

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 1 – Reporting Entity

Anderson Township of Hamilton County, Ohio, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer.

In accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* (an amendment of GASB Statement No. 14), the accompanying financial statements include only the accounts and transactions of the Township. Under the criteria specified in these GASB Statements, the Township has no component units nor is it considered a component unit of the State of Ohio. The Township is considered, however, a political subdivision to the State of Ohio. These conclusions regarding the financial reporting entity are based on the concept of financial accountability. The Township is not financially accountable for any other organizations. This is evidenced by the fact that the Township is a legally and fiscally separate and distinct organization. The Township is solely responsible for its finances. The Township is empowered to issue debt payable solely from Township revenues.

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if it appoints a voting majority of the organization's governing board and (1) is able to significantly influence the programs or services performed or provided by the organization; or (2) is legally entitled to or can otherwise access the organization's resources; is legally obligated or has otherwise assumed the responsibility to finance deficits of or provide financial support to the organization; or is obligated for the debt of the organization. Based upon the application of these criteria, the Township has no component units.

The reporting entity is comprised of the primary government and believes these financial statements present all activities for which the Township is financially accountable.

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, maintenance of Township roads and bridges, cemetery maintenance, and fire protection services. The Township contracts with the Hamilton County Sheriff's Office to provide police protection.

Note 2 – Summary of Significant Accounting Policies

These financial statements are presented on the cash basis of accounting. The cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Accounting principles generally accepted in the United States of America include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting.

A. Basis of Presentation

The Township's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the Township that are governmental and those that are considered business-type. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. The Township has no business-type operations.

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 2 – Summary of Significant Accounting Policies (continued)

The statement of net assets presents the cash balance and net assets of the governmental activities of the Township at year end. The statement of activities compares disbursements with program receipts for each of the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the Township's general receipts.

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

B. Fund Accounting

The Township uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental funds reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Cash disbursements are assigned to the fund from which they are paid. The difference between governmental fund assets and cash disbursements is reported as fund balance. The following are the Township's major governmental funds:

General Fund - This fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

Fire District Fund - This fund receives tax money for operating expenses incurred by the Township's fire department.

Permanent Improvement Fund – This fund is used to account for the construction project for the administrative center. This fund was not a major fund in 2009.

TIF Fund - This fund receives money in lieu of taxes for improvements to certain parcels of land.

Debt Service (General Bond/Note Retirement) Fund - This fund is subsidized by the General Fund for the retirement of debt. This fund was not a major fund in 2009.

The other governmental funds of the Township account for grants and other resources whose use is restricted to a particular purpose.

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 2 – Summary of Significant Accounting Policies (continued)

C. Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

D. Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Township may appropriate.

The appropriations ordinance is the Township's authorization to spend resources and sets limits on disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established at the fund, function, and object level for all funds as is required by the ORC.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township fiscal officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

E. Cash and Investments

Cash received by the Township is deposited into one of several bank accounts with individual fund balance integrity maintained. Balances of all funds are maintained in these accounts or are temporarily used to purchase certificates of deposit or investments. For 2009, interest earned of \$248,929 was allocated to the General Fund and the Debt Service Fund in the amount of \$224,280 and \$24,649. For 2008, interest earned of \$2,050,012 was allocated to the General Fund and Debt Service Fund in the amount of \$1,854,429 and \$195,583, respectively.

Cash received by the Township is pooled for investment purposes. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements. The Township records all investments at cost and reports investments at cost. The Township has invested in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2009 and 2008. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2009 and 2008.

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 2 – Summary of Significant Accounting Policies (continued)

E. Cash and Investments (continued)

During 2009 and 2008 the Township has also invested in Sweep Accounts, Money Market Funds, Federal Home Loan Corporation Securities, and Federal National Mortgage Association Securities.

The Township has one certificate of deposit which is a cemetery bequest. The only money that can be spent from this certificate of deposit is the interest that is earned. This certificate of deposit is valued at cost.

F. Inventory and Prepaid Items

The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying basic financial statements.

G. Capital Assets

Acquisitions of property, plant and equipment (capital assets) are recorded as disbursements when paid. These items are not reflected as assets in the accompanying basic financial statements.

H. Long-Term Obligations

The Township's cash basis basic financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid.

I. Net Assets

Net cash assets represent the cash assets held by the Township at year end. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Township or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments. Restricted for Other Purposes is comprised of net assets restricted for grants. The Township applies restricted resources when a cash disbursement is made for purposes for which both restricted and unrestricted net assets are available.

As of December 31, 2009 and 2008, of the Township's restricted net assets of \$17,415,222 and \$18,468,896, respectively, none was restricted by enabling legislation.

Note 3 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general fund and all major special revenue funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. Any differences between the budgetary basis and the cash basis are outstanding year end encumbrances and are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis).

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 4 – Deposits and Investments

Monies held by the Township are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Township has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories.

Interim monies may be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or other obligations of or securities issued by the United States treasury or any other obligation guaranteed as to the payment of principal and interest by the United States;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above, provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bond and other obligations of the State of Ohio, its political subdivisions, or other units or agencies of this State or its political subdivisions;
5. Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);
8. Securities lending agreements in which the Township lends securities and the eligible institution agrees to exchange either securities described in division (1) or (2), or cash, or both securities and cash, equal value for equal value;
9. High grade commercial paper in an amount not to exceed five percent of the Township's total average portfolio; and
10. Bankers acceptances for a period not to exceed 270 days and in an amount not to exceed ten percent of the Township's total average portfolio.

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 4 – Deposits and Investments (continued)

Protection of the Township's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Township by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Township, or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Custodial credit risk is the risk that in the event of the failure of the counterparty, the Township's deposits may not be returned. According to state law, public depositories must give security for all public funds on deposit in excess of those funds that are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agency or instrumentality of the federal government. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the FDIC, or may pledge a pool of government securities valued at least 105% of the total value of public monies on deposit at the institution. The Township's policy is to deposit money with financial institutions that are able to abide by the laws governing insurance and collateralization of public funds.

Deposits:

At December 31, 2009 and 2008, the Township's bank balances of \$13,274,260 and \$10,249,544, respectively, were either covered by FDIC or collateralized by the financial institutions public entity deposit pools in the manner described above.

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 4 – Deposits and Investments (continued)

Investments:

At December 31, 2009 and 2008, the Township had the following investments:

Investment Type	Cost Value	Less Than One Year	One to Two Years
<u>2009</u>			
STAR Ohio	\$10,713,996	\$10,713,996	\$0
FHLMC Securities	1,304,953	0	1,304,953
Federal National Mortgage Association Securities	2,033,760	0	2,033,760
Fifth Third Institutional Government Money Market Fund	2,307,218	2,307,218	0
First American Treasury Obligations Money Market Fund	2,510,638	2,510,638	0
Sweep Accounts	1,186,417	1,186,417	0
Total	\$20,056,982	\$16,718,269	\$3,338,713
<u>2008</u>			
STAR Ohio	\$14,663,666	\$14,663,666	\$0
FHLMC Securities	2,008,280	0	2,008,280
Federal National Mortgage Association Securities	2,023,120	0	2,023,120
Fifth Third Institutional Government Money Market Fund	2,296,143	2,296,143	0
First American Treasury Obligations Money Market Fund	2,606,480	2,606,480	0
Sweep Accounts	1,179,732	1,179,732	0
Total	\$24,777,421	\$20,746,021	\$4,031,400

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Township's investment policy does not address interest rate risk beyond the requirements of the Ohio Revised Code.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Township's policy places limitations on the types of investments the Township may invest in. The Township's policy authorizes investment in allowable securities as outlined in Ohio Revised Code Section 135. The Township's investments in FNMA and FHLMC were each rated AAA by Standard & Poor's. The Fifth Third Institutional Government Money Market Fund was rated AAAM by Standard & Poor's. The U.S. Bank First American Treasury Obligation Money Fund was rated AAA by Standard & Poor's. The Township's sweep accounts were not rated.

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 4 – Deposits and Investments (continued)

Concentration of Credit Risk. The Township places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of total of each investment type held by the Township at December 31, 2009 and 2008:

Investment Type	Cost Value	% of Total
<u>2009</u>		
STAR Ohio	\$10,713,996	53%
FHLMC Securities	1,304,953	7%
Federal National Mortgage Association Securities	2,033,760	10%
Fifth Third Institutional Government Money Market Fund	2,307,218	12%
First American Treasury Obligations Money Market Fund	2,510,638	13%
Sweep Accounts	1,186,417	5%
Total	\$20,056,982	100%
<u>2008</u>		
STAR Ohio	\$14,663,666	59%
FHLMC Securities	2,008,280	8%
Federal National Mortgage Association Securities	2,023,120	8%
Fifth Third Institutional Government Money Market Fund	2,296,143	9%
First American Treasury Obligations Money Market Fund	2,606,480	11%
Sweep Accounts	1,179,732	5%
Total	\$24,777,421	100%

Custodial Credit Risk. Custodial credit risk is the risk that in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the Township's securities are either insured and registered in the name of the Township or at least registered in the name of the Township. The Township has no investment policy dealing with investment custodial risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Note 5 – Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Real property tax receipts received in 2009 represent the collection of 2008 taxes. Real property taxes received in 2009 were levied after October 1, 2008, on the assessed values as of January 1, 2008, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax receipts received in 2009 represent the collection of 2008 taxes. Public utility real and tangible personal property taxes received in 2008 became a lien on December 31, 2007, were levied after October 1, 2008, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 5 – Property Taxes (continued)

Tangible personal property tax receipts received in 2009 (other than public utility property) represent the collection of 2009 taxes. Tangible personal property taxes received in 2009 were levied after October 1, 2008, on the true value as of December 31, 2008. Tangible personal property is currently assessed at 6.25 percent of true value for tax year 2008 for property taxes collected during 2009. The percentage decreased to zero percent of true value for tax year 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all Township operations for the years ended December 31, 2009 and 2008 were \$14.57 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2009 and 2008 property tax receipts were based are as follows:

	2009	2008
Real Property		
Residential/Agricultural	\$1,136,147,000	\$1,137,079,950
Other	97,501,720	99,721,330
Public Utility Property		
Personal	20,075,880	18,779,110
Tangible Personal Property	1,711,540	16,062,300
Total Assessed Value	\$1,255,436,140	\$1,271,642,690

Note 6 – Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2009 the Township contracted with the Ohio Township Association Risk Management Authority (OTARMA), a risk sharing pool available to Ohio Townships. OTAMRA provides property and casualty coverage for its members. OTAMRA is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund OTAMRA. OTAMRA pays judgments, settlements, and other expenses resulting from covered claims that exceed the members' deductibles. Coverage provided by OTAMRA is as follows:

Legal Liability	\$10,000,000	Per Occurrence
Automobile Liability	10,000,000	Per Occurrence
Wrongful Acts	10,000,000	Per Occurrence
Property	29,871,000	Total Coverage
Boiler and Machinery	29,871,000	Limit

There were no significant reductions in coverage from prior years and claims have not exceeded insurance coverage in any of the past three years. The Township pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is based on accident history and administrative costs.

Note 7 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

The Township participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 7 – Defined Benefit Pension Plan (continued)

The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits, including post-employment health care coverage. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. For 2009, member and employer contribution rates were consistent across all three plans. Separate divisions for law enforcement and public safety exist only with the traditional pension plan. Township employees are required to contribute 10.0% for 2009, 10.0% for 2008, and 9.5% for 2007, for members in state and local classifications and 10.1%, 10.1% and 9.75%, respectively for members in public safety and law enforcement. The Township is required to contribute 14.0% for 2009 and 2008, and 13.85% for 2007, respectively for state and local employers and 17.63%, 17.4% and 17.17%, respectively for law enforcement and public safety employers for the years ended December 31, 2009, 2008 and 2007.

The Township's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2009, 2008, and 2007, were \$254,481, \$254,492, and \$232,559, respectively. The full amount has been contributed for 2009, 2008 and 2007.

Ohio Police and Fire Pension Fund

The Township contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

For 2009, 2008 and 2007 plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0% respectively for police officers and firefighters. The Township's contributions to OP&F for the years ending December 31, 2009, 2008, and 2007 were \$1,184,243, \$1,107,728, and \$1,068,951, respectively. The full amount has been contributed for 2009, 2008 and 2007.

Note 8 – Post-Employment Benefits

Ohio Public Employees Retirement System

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program, and Medicare Part B premium reimbursement, to qualifying members of both the TP and the CO Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 8 – Post-Employment Benefits (continued)

In order to qualify for post-retirement health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-employment Benefit (OPEB) as described in GASB Statement 45.

A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. For local government employer units, the rate was 14.0%, 14.0%, and 13.85% of covered payroll for fiscal years 2009, 2008 and 2007, respectively; the portion of employer contributions allocated to health care was 7% for January 1, 2009 through March 31, 2009 and 5.5% for April 1, 2009 through December 31, 2009, 7% for 2008, 5% from January 1 through June 30, 2007 and 6% from July 1 through December 31, 2007.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer's contributions are expressed as a percentage of the covered payroll of active members. In 2009, state and local employers contributed at a rate of 14.0% of covered payroll and public safety and law enforcement employers contributed at 17.63%. The Ohio Revised Code currently limits the employer contribution rate not to exceed 14.0% of covered payroll for state and local employer units and 18.1% of covered payroll for law and public safety employer units. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care was 7.00% from January 1 through March 31, 2009 and 5.5% from April 1 through December 31, 2009. For 2008, the employer contributions allocated to the health care plan was 7.0% of covered payroll. For 2007, these percentages were 5.0% for January through June 2007 and 6.0% for July through December 2007. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The employer contributions that were used to fund post-employment benefits were \$106,800 for 2009 \$46,857 for 2008, and \$33,695 for 2007, which equaled 100% of the required contribution amount.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for local employers increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006 with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 8 – Post-Employment Benefits (continued)

Ohio Police and Fire Pension Fund

The Township contributes to the Ohio Police and Fire Pension fund (OP&F) sponsored healthcare program, a cost-sharing multiple-employer defined postemployment healthcare plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement healthcare coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The healthcare coverage provided by OP&F meets the definition of an Other Post Employer Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide healthcare coverage to eligible participants and to establish and amend benefits are codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F's post employment healthcare plan was established and is administrated as an Internal Revenue Code 401(h) account within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F board of trustees. The board of trustees authorized to allocate a portion of the total employer contributions made into the pension plan to the 401(h) account as the employer contribution for retiree healthcare benefits. For the year ended December 31, 2009, 2008 and 2007, the employer contribution allocated to the healthcare plan was 6.75% of covered payroll. The amount of employer contributions allocated to the healthcare plan each year is subject to the trustees' primary responsibility to ensure that pension benefits are adequately funded and also is limited by the provisions of Section 401(h).

The OP&F board of trustees also is authorized to establish requirements for contributions to the healthcare plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Township's contributions to OP&F for the years ended December 31, 2008, 2007, and 2006 were \$1,107,728, \$1,068,951, and \$1,009,822, respectively, of which \$409,748, \$383,274, and \$300,375, respectively, was allocated to the healthcare plan. The Fund's total health care expenses for the year ended December 31, 2008 (the latest information available) were \$96,472,398, which was net of member contributions of \$56,948,977.

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 9 – Debt

The Township’s long-term debt activity for the year ended December 31, 2009 and 2008 was as follows:

	Interest Rate	Balance December 31, 2008	Additions	Reductions	Balance December 31, 2009	Due Within One Year
Governmental Activities						
OPWC - CB27E - Forrest	3.00%	\$ 325,459	\$ -	\$ 61,274	\$ 264,185	\$ 63,126
OPWC - CB20E - Ayershire, Wilshire, Sunray	3.00%	398,684	-	56,427	342,257	58,133
OPWC - CB07F - Sherman, Coolidge, Brooke, Shirmer	3.00%	545,079	-	77,147	467,932	79,479
OPWC - CB24F - Collinsdale	3.00%	479,685	-	67,893	411,792	69,944
Various Purpose Bonds	4.00%-5.00%	26,795,000	-	1,755,000	25,040,000	1,825,000
		<u>\$ 28,543,907</u>	<u>\$ -</u>	<u>\$ 2,017,741</u>	<u>\$ 26,526,166</u>	<u>\$ 2,095,682</u>

	Interest Rate	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008	Due Within One Year
Governmental Activities						
OPWC - CB27E - Forrest	3.00%	\$ 384,936	\$ -	\$ 59,477	\$ 325,459	\$ 61,274
OPWC - CB20E - Ayershire, Wilshire, Sunray	3.00%	453,456	-	54,772	398,684	56,427
OPWC - CB07F - Sherman, Coolidge, Brooke, Shirmer	3.00%	619,962	-	74,883	545,079	77,147
OPWC - CB24F - Collinsdale	3.00%	545,585	-	65,900	479,685	67,893
Various Purpose Bonds	4.00%-5.00%	28,480,000	-	1,685,000	26,795,000	1,755,000
		<u>\$ 30,483,939</u>	<u>\$ -</u>	<u>\$ 1,940,032</u>	<u>\$ 28,543,907</u>	<u>\$ 2,017,741</u>

The Township issued Assessment Limited Tax Bonds on September 30, 1997, for \$128,327 for the improvement of Lawyer’s Pointe Drive. Interest and principal payments are due semiannually to Firststar Bank. The bonds are collateralized by the Township’s taxing authority.

The Township was awarded \$730,202 by the Ohio Public Works Commission on July 1, 2001, for the Forrest Park Subdivision street improvements project in the form of a loan. The loan will be repaid in semi-annual payments of \$35,291 on January 1 and July 1 of each year for 10 years. The final payment was due on January 1, 2014. The loan is collateralized by Township tax revenue.

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 9 – Debt (continued)

The Township was awarded \$583,458 by the Ohio Public Works Commission on July 1, 2001, for the Ayersville/Wilshire/Sunray street reconstruction project in the form of a loan. The loan will be repaid in semi-annual payments of \$33,984 on January 1 and July 1 of each year for 10 years. The final payment is due on July 1, 2015. The loan is collateralized by Township tax revenue.

The Township was awarded \$797,700 by the Ohio Public Works Commission on July 1, 2002, for the Sherman/Coolidge/Brooke/Shirmer storm sewer detention and paving project in the form of a loan. The loan will be repaid in semi-annual payments of \$46,463 of January 1 and July 1 of each year for 10 years. The final payment is due on July 1, 2015. This loan is collateralized by Township tax revenue.

The Township was awarded \$702,000 by the Ohio Public Works Commission on November 1, 2002 for the Collinsdale Drive reconstruction project in the form of a loan. The loan will be repaid in semi-annual payments of \$40,889 on January 1 and July 1 of each year for 10 years. The financial payment is due on July 1, 2015. The loan is collateralized by Township tax revenue.

On April 25, 2007, the Township issued \$29,470,000 in various purpose bonds to repay bond anticipation notes issued for construction of an administrative center. These bonds will mature in 2020 and require semi-annual payments due June 1 and December 1.

The following is a summary of the Township's future annual debt service requirements as of December 31, 2009:

Year Ending December 30,	Bonds			OPWC Loans		
	Principal	Interest	Total	Principal	Interest	Total
2010	\$ 1,825,000	\$ 1,137,770	\$ 2,962,770	\$ 270,682	\$ 42,570	\$ 313,252
2011	1,900,000	1,064,770	2,964,770	278,864	34,389	313,253
2012	1,975,000	988,770	2,963,770	287,292	25,960	313,252
2013	2,055,000	909,770	2,964,770	295,975	17,277	313,252
2014	2,135,000	827,570	2,962,570	233,810	8,860	242,670
2015-2019	12,310,000	2,498,800	14,808,800	119,543	1,793	121,336
2020	2,840,000	122,120	2,962,120	-	-	-
Total	<u>\$ 25,040,000</u>	<u>\$ 7,549,570</u>	<u>\$32,589,570</u>	<u>\$ 1,486,166</u>	<u>\$ 130,849</u>	<u>\$ 1,617,015</u>

Anderson Township
Notes to the Basic Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 10 – Interfund Transactions

Transfers made during the years ended December 31, 2009 and 2008, were as follows:

<u>Interfund Transfers</u>	<u>Transfers In</u>	<u>Transfers Out</u>
2009		
Major Fund:		
General Fund	\$ -	\$ 677,433
Total Major Fund	-	677,433
Non-Major Funds:		
Zoning Fund	450,000	-
Greenspace Fund	17,532	-
MVL Tax Fund	351	-
Gasoline Fund	1,902	-
Permissive MVL Tax Fund	7,648	-
Lighting District Fund	200,000	-
Debt Service (General Bond/Note Retirement) Fund	904,000	-
Permanent Improvement Fund	-	904,000
Total Non-Major Funds	<u>1,581,433</u>	<u>904,000</u>
Total All Funds	<u>\$ 1,581,433</u>	<u>\$ 1,581,433</u>
2008		
Major Funds:		
General Fund	\$ -	\$ 2,823,549
Debt Service (General Bond/Note Retirement) Fund	2,200,000	-
Total Major Funds	<u>2,200,000</u>	<u>2,823,549</u>
Non-Major Funds:		
Zoning Fund	600,000	-
Greenspace Fund	13,808	-
MVL Tax Fund	353	-
Gasoline Fund	1,245	-
Permissive MVL Tax Fund	8,143	-
Total Non-Major Funds	<u>623,549</u>	<u>-</u>
Total All Funds	<u>\$ 2,823,549</u>	<u>\$ 2,823,549</u>

Transfers are made to move unrestricted balances to support programs and projects accounted for in other funds.

Note 11 – Contingent Liability

The Township is not party to any legal proceedings.



REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Anderson Township
Hamilton County, Ohio
7850 Five Mile Road
Cincinnati, Ohio 45230

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Anderson Township, Hamilton County, (the Township) as of and for the years ended December 31, 2009 and 2008, which collectively comprise the Government's basic financial statements and have issued our report thereon dated June 30, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. *A material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Anderson Township

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

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Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of management and members of the Board. We intend it for no one other than these specified parties.



Balestra, Harr & Scherer, CPAs, Inc.
June 30, 2010



Mary Taylor, CPA
Auditor of State

ANDERSON TOWNSHIP

HAMILTON COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 4, 2010**