

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2009**



Dave Yost • Auditor of State

Board of Trustees
Miami Township
2700 Lyons Road
Miamisburg, Ohio 45342

We have reviewed the *Independent Auditors' Report* of Miami Township, Montgomery County, prepared by Bastin & Company, LLC, for the audit period January 1, 2009 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. Miami Township is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

November 9, 2011

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**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO**

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Bastin & Company, LLC

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Miami Township, Ohio

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Miami Township (the Township), Montgomery County, Ohio as of and for the year ended December 31, 2009, 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 that our audit provides a reasonable basis for our opinion.

As discussed in Note 2, the accompanying financial statements and notes follow the modified cash accounting basis, which is a comprehensive basis of accounting 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 financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Miami Township, Montgomery County, Ohio as of December 31, 2009 and the respective changes in cash financial position and the respective budgetary comparisons for the General, Police, Fire/EMS, Road and Bridge, and Austin Road Funds for the year then ended in conformity with the basis of accounting as described in Note 2.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 5, 2011 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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

A handwritten signature in cursive script that reads "Bastin & Company, LLC". The signature is written in black ink on a light-colored background.

Cincinnati, Ohio
August 5, 2011

Miami Township
Montgomery County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2009
Unaudited

This discussion and analysis of Miami Township's financial performance provides an overall review of the Township's financial activities for the year ended December 31, 2009, within the limitations of the Township's modified 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 are as follows:

- Net assets of governmental activities increased by \$1.1 million or 7 percent.
- The General Fund has net assets of \$2.1 million, a decrease of \$859 thousand, because of a decrease in estate tax receipts, occupancy tax receipts, and interest income.
- The Police Fund experienced an increase in net assets of \$212 thousand because of a decrease in expenditures primarily in employee benefits, furniture and equipment, and emergency dispatch fees.
- The Fire Fund experienced an increase in net assets of \$843 thousand. Receipts increased because of capital lease proceeds of \$169 thousand, grant receipts of \$25 thousand, and EMS / MVA receipts of \$706 thousand. Expenditures were \$222 thousand higher because of an increase in capital outlay for two vehicles.
- The Road and Bridge Fund experienced an increase of net assets of \$664 thousand because of grant receipts of \$333 thousand that funded a road widening project. Expenditures were significantly less, by \$318 thousand, because of decreases in capital outlay, expenditures for salt, and personnel.
- Both TIF Districts saw a dramatic increase in payment in lieu of tax receipts because of more commercial and retail development. The net assets in the Austin Road and Dayton Mall TIF's increased by \$392 thousand and \$358 thousand, respectively.
- The Miami Township/City of Dayton JEDD fund experienced an increase of \$16 thousand.
- Work with surrounding jurisdictions on the Austin Pike Interchange continued throughout 2009.
- The Miami Township - Dayton Mall Joint Economic Development District was created in June.

The Township's receipts are primarily property taxes, intergovernmental receipts and charges for services. These receipts represent respectively 65, 20, and 4 percent of the total operating receipts for governmental activities during the year.

Miami Township
Montgomery County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2009
Unaudited

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 Government's modified 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 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 modified cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Township's modified cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenditures (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 modified cash basis of accounting.

Reporting the Township as a Whole

The statement of net assets and the statement of activities reflect how the Township did financially during 2009, within the limitations of the modified cash basis accounting. The statement of net assets presents the pooled cash and investment balances 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 cash receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Government's general receipts.

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the modified 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

Miami Township
Montgomery County, Ohio
Management's Discussion and Analysis
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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 as well 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 taxes.

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

Governmental activities. All of the Township's basic services are reported here, including general government, police, fire/EMS, public works, health, economic development and conservation-recreation. Property taxes and intergovernmental receipts 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 for a specific use is being spent for the intended purpose. The funds of the Township consist totally of governmental funds.

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 are the General, Police, Fire/EMS, Road and Bridge and Austin Road Funds. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements. We describe this relationship in reconciliations presented with the governmental fund financial statements.

Miami Township
Montgomery County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2009
Unaudited

The Township as a Whole

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

(Table 1)
Net Assets

	Governmental Activities	
	2009	2008
Assets		
Cash, Cash Equivalents and Investments	\$16,193,785	\$15,089,037
Total Assets	\$16,193,785	\$15,089,037
Net Assets		
Restricted for:		
Capital Projects	\$ 58,972	\$ 70,465
Other Purposes	14,077,714	12,102,509
Unrestricted	2,057,099	2,916,063
Total Net Assets	\$16,193,785	\$15,089,036

As mentioned previously, net assets of governmental activities increased \$1.1 million in 2009.

Miami Township
Montgomery County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2009
Unaudited

Table 2 reflects the changes in net assets in 2009 compared to 2008 on a modified cash basis.

(Table 2)
Changes in Net Assets

	Governmental Activities	
	2009	2008
Receipts:		
Program Receipts:		
Charges for Services and Sales	\$ 990,974	\$ 1,279,033
Operating Grants and Contributions	157,852	23,025
Capital Grants and Contributions	522,221	962,205
Total Program Receipts	<u>1,671,047</u>	<u>2,264,263</u>
General Receipts:		
Property and Other Local Taxes	11,883,342	11,999,172
Grants and Entitlements not Restricted to Specific Programs	3,036,424	3,181,760
Payments in Lieu of Taxes	539,964	461,145
Proceeds from Debt	1,931,791	-
Interest	86,652	563,275
Miscellaneous	875,974	166,256
Total General Receipts	<u>18,354,147</u>	<u>16,371,608</u>
Total Receipts	<u>20,025,194</u>	<u>18,635,871</u>
Disbursements:		
General Government	1,345,538	1,645,325
Public Safety	9,641,749	9,764,905
Public Works	1,128,365	1,282,941
Health	1,773,462	1,660,618
Economic Development	432,612	354,523
Conservation & Recreation	424,684	309,721
Capital Outlay	3,832,698	1,134,574
Debt Service:		
Principal Retirement	203,569	1,068,109
Interest and Fiscal Charges	137,769	172,529
Total Disbursements	<u>18,920,446</u>	<u>17,393,245</u>
Increase in Net Assets	1,104,748	1,242,626
Net Assets, January 1	15,089,037	13,846,411
Net Assets, December 31	<u>\$ 16,193,785</u>	<u>\$ 15,089,037</u>

On an overall basis, disbursements increased by \$1,527,201; principal retirement decreased significantly while capital outlay increased. Receipts increased by \$1,389,323 primarily from recognizing proceeds from debt issued during the year.

Miami Township
Montgomery County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2009
Unaudited

Program receipts represent 8 percent of total receipts and are primarily comprised of restricted intergovernmental receipts, capital related grants and EMS receipts.

General receipts represent 92 percent of the Township's total receipts, and of this amount, approximately 65 percent are from property taxes. Local government funds, hotel/motel occupancy tax, inheritance tax, franchise fees, miscellaneous receipts, proceeds from debt and interest income make up the balance of the Township's general receipts.

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Township activities. These include the costs of the board of trustees, the administrator's office, finance, human resources, and planning and zoning. Since these costs do not represent direct services to residents, we try to limit these costs to 10 percent of General Fund unrestricted receipts.

Public Safety is the cost of police and fire/EMS protection; public works is the cost of road maintenance, building maintenance, and vehicle maintenance. Health is the cost of trash services. Economic development is the cost of promoting industrial and commercial development. Conservation & Recreation activities are the costs of maintaining the parks.

Governmental Activities

If you look at the Statement of Activities for 2009, 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 for governmental activities are for public safety, capital outlay, health and public works, which account for 51, 20, 9 and 6 percent of all governmental disbursements, respectively. The next three 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 (Disbursements) Receipts column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service, which is 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)

	Governmental Activities	
	Total Cost of Services 2009	Net Cost of Services 2009
	General Government	\$ 1,345,538
Public Safety	9,641,749	8,868,787
Public Works	1,128,365	1,107,938
Health	1,773,462	1,637,974
Economic Development	432,612	243,781
Conservation-Recreation	424,684	402,320
Capital Outlay	3,832,698	3,335,600
Principal Retirement	203,569	203,569
Interest and Fiscal Charges	137,769	137,769
Total Expenses	\$ 18,920,446	\$ 17,249,399

Miami Township
Montgomery County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2009
Unaudited

The dependence upon property tax receipts is apparent as over 62 percent of governmental activities are supported by property tax receipts.

The Township's Funds

Total governmental funds had receipts (excluding other financing sources) of \$18,093,403 and \$18,635,871 for 2009 and 2008 respectively. Disbursements (excluding other financing uses) were \$18,920,446 and \$17,393,245 respectively.

The greatest change within governmental funds occurred within the General Fund, the Fire/EMS Fund and the Road and Bridge Fund.

The fund balance in the General Fund decreased by \$858,964 as expenditures exceeded receipts. The General Fund saw a decrease in intergovernmental receipts, interest income, and an increase in capital outlay expenditures. Intergovernmental receipts, comprised mainly of inheritance tax, the local government fund, occupancy tax, and rollback and homestead reimbursements from the State of Ohio, decreased by \$315,011. Inheritance tax receipts were \$178,025 less than in 2008. Local government funds received from the State of Ohio were \$53,036 less. Occupancy tax receipts were \$38,254 less because of delinquencies. Interest income was significantly less than in 2008 because of lower interest rates. Capital outlay increased \$339,939 because of road improvements.

The fund balance of the Fire/EMS Fund increased by \$842,898 as receipts exceeded expenditures. The Fire/EMS Fund saw a decrease in EMS transport collections, and recognized proceeds from debt that was issued during the year.

The Road and Bridge Fund experienced a \$664,219 increase in fund balance as receipts exceeded expenditures. The Road and Bridge Fund incurred costs that were funded from a State Issue II grant to complete the last phase of a road widening project. Public work expenditures were \$154,576 lower because of position vacancies and the need to purchase less salt for use on the roads during the winter months.

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. The most significant budgeted fund is the General Fund.

During 2009, the Township amended its General Fund budget to reflect increased cost for general government and conservation-recreation activities.

Final disbursements were budgeted at \$4,503,233 while actual disbursements were \$2,572,545. Final budgeted appropriations were increased by \$1,780,000 from the original budget. Actual spending was \$1,930,688 less than appropriations. The final result was a decrease in the budget fund balance of \$1,024,981 for 2009.

Miami Township
Montgomery County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2009
Unaudited

Capital Assets and Debt Administration

Capital Assets

The Township has chosen not to report capital assets and infrastructure.

Debt

Under the modified cash basis of accounting the Township does not report debt obligations, either long-term or short-term, in the accompanying modified cash basis financial statements. In order to provide information regarding the Township's debt, the following information is provided.

During prior years, the Township issued capital leases to provide funding for various capital related items. At December 31, 2009, the Township had \$5,213,173 in capital lease obligations outstanding. During 2009, the Township issued two new capital leases totaling \$2.2 million for a new medic and for property acquisition at the Austin Road interchange.

Additional information on the Township's debt can be found in Notes 6 and 7 to the financial statements.

Current Issues

The challenge for all governments is to provide quality services to the public while staying within the restrictions imposed by limited funding. We rely heavily on property taxes so it is imperative that we continue to enhance our property tax base while maintaining an attractive mix of residential, retail, commercial, and green space property.

The Township is currently working in partnership with other local governments to enhance the area's tax base. The Austin Interchange Project is a joint project involving two other communities and involves the development of an interchange at Austin Pike and Interstate 75. The economic development possibilities are endless and include office and commercial space, hospitality and convention space, as well as some retail space to serve the needs of workers and travelers. Another major economic development project is the Kingsridge Road Project, which involves road improvements to facilitate the construction of a Wal-Mart Super Center. Much of the cost of the improvements will be paid for with developer contributions.

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 Judy A. Lewis, Fiscal Officer, Miami Township, 2700 Lyons Road, Miamisburg, Ohio 45342.

Miami Township
Montgomery County, Ohio
Statement of Net Assets - Modified Cash Basis
December 31, 2009

	Governmental Activities
Assets	
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 16,193,785
<i>Total Assets</i>	\$ 16,193,785
 Net Assets	
Restricted for:	
Capital Projects	\$ 58,972
Other Purposes	14,077,714
Unrestricted	2,057,099
<i>Total Net Assets</i>	\$ 16,193,785

See accompanying notes to the basic financial statements

Miami Township
Montgomery County, Ohio
Statement of Activities - Modified 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	\$ 1,345,538	\$ 33,877	\$ -	\$ -	\$ (1,311,661)
Public Safety	9,641,749	772,962	-	-	(8,868,787)
Public Works	1,128,365	20,427	-	-	(1,107,938)
Health	1,773,462	-	135,488	-	(1,637,974)
Economic Development	432,612	-	-	188,831	(243,781)
Conservation-Recreation	424,684	-	22,364	-	(402,320)
Capital Outlay	3,832,698	163,708	-	333,390	(3,335,600)
Debt Service:					
Principal Retirement	203,569	-	-	-	(203,569)
Interest and Fiscal Charges	137,769	-	-	-	(137,769)
<i>Total Governmental Activities</i>	<u>\$ 18,920,446</u>	<u>\$ 990,974</u>	<u>\$ 157,852</u>	<u>\$ 522,221</u>	<u>(17,249,399)</u>
		General Receipts			
		Property Taxes Levied for:			
					222,496
					4,387,366
					4,416,341
					1,500,985
					1,283,288
					3,036,424
					1,931,791
					539,964
					72,866
					86,652
					875,974
					<u>18,354,147</u>
					1,104,748
					<u>15,089,037</u>
					<u>\$ 16,193,785</u>

See accompanying notes to the basic financial statements

Miami Township
Montgomery County, Ohio
Statement of Modified Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2009

	General	Police	Fire/EMS	Road and Bridge	Austin Road	Other Governmental Funds	Total Governmental Funds
Assets							
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 2,057,099	\$ 3,171,396	\$ 5,313,078	\$ 3,615,856	\$ 666,624	\$ 1,369,732	\$ 16,193,785
<i>Total Assets</i>	<u>\$ 2,057,099</u>	<u>\$ 3,171,396</u>	<u>\$ 5,313,078</u>	<u>\$ 3,615,856</u>	<u>\$ 666,624</u>	<u>\$ 1,369,732</u>	<u>\$ 16,193,785</u>
Fund Balances							
Reserved:							
Reserved for Encumbrances	\$ 166,017	\$ 108,542	\$ 63,478	\$ 66,485	\$ 273,324	\$ 5,882	\$ 683,728
Unreserved:							
Undesignated, Reported in:							
General Fund	1,891,082	-	-	-	-	-	1,891,082
Special Revenue Funds	-	3,062,854	5,249,600	3,549,371	393,300	1,304,878	13,560,003
Capital Projects Funds	-	-	-	-	-	58,972	58,972
<i>Total Fund Balances</i>	<u>\$ 2,057,099</u>	<u>\$ 3,171,396</u>	<u>\$ 5,313,078</u>	<u>\$ 3,615,856</u>	<u>\$ 666,624</u>	<u>\$ 1,369,732</u>	<u>\$ 16,193,785</u>

See accompanying notes to the basic financial statements

Miami Township
Montgomery County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
December 31, 2009

Total Governmental Fund Balances	<u>\$ 16,193,785</u>
Net Assets of Governmental Activities	<u>\$ 16,193,785</u>

See accompanying notes to the basic financial statements

Miami Township
Montgomery County, Ohio

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

	General	Police	Fire/EMS	Road and Bridge	Austin Road	Other Governmental Funds	Total Governmental Funds
Receipts							
Property and Other Local Taxes	\$ 222,496	\$ 4,387,366	\$4,416,341	\$1,500,985	\$ -	\$ 1,283,288	\$11,810,476
Income Taxes	-	-	-	-	-	72,866	72,866
Charges for Services	-	21,290	708,820	20,427	-	-	750,537
Licenses, Permits and Fees	33,877	825	1,314	-	-	-	36,016
Fines and Forfeitures	-	29,632	-	-	-	11,081	40,713
Intergovernmental	848,027	691,028	757,315	566,309	-	711,263	3,573,942
Special Assessments	49,315	-	-	-	-	114,393	163,708
Payments in Lieu of Taxes	-	-	-	-	185,756	354,208	539,964
Contributions	-	-	-	-	-	120,191	120,191
Interest	80,816	-	-	-	2	5,834	86,652
Other	313,033	125,028	37,438	23,119	324,177	75,543	898,338
<i>Total Receipts</i>	<u>1,547,564</u>	<u>5,255,169</u>	<u>5,921,228</u>	<u>2,110,840</u>	<u>509,935</u>	<u>2,748,667</u>	<u>18,093,403</u>
Disbursements							
Current:							
General Government	1,345,538	-	-	-	-	-	1,345,538
Public Safety	-	4,832,169	4,809,580	-	-	-	9,641,749
Public Works	-	-	-	1,128,365	-	-	1,128,365
Health	-	-	-	-	-	1,773,462	1,773,462
Economic Development	-	-	-	-	141,316	291,296	432,612
Conservation-Recreation	385,838	-	-	-	-	38,846	424,684
Capital Outlay	486,044	210,555	285,571	318,256	1,739,031	793,241	3,832,698
Debt Service:							
Principal	63,000	-	140,569	-	-	-	203,569
Interest and Fiscal Charges	126,108	-	11,661	-	-	-	137,769
<i>Total Disbursements</i>	<u>2,406,528</u>	<u>5,042,724</u>	<u>5,247,381</u>	<u>1,446,621</u>	<u>1,880,347</u>	<u>2,896,845</u>	<u>18,920,446</u>
<i>Excess of Receipts Over (Under)</i> <i>Disbursements</i>	<u>(858,964)</u>	<u>212,445</u>	<u>673,847</u>	<u>664,219</u>	<u>(1,370,412)</u>	<u>(148,178)</u>	<u>(827,043)</u>
Other Financing Sources (Uses)							
Proceeds from Debt	-	-	169,051	-	2,027,535	-	2,196,586
Cost of Issuance	-	-	-	-	(264,795)	-	(264,795)
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>169,051</u>	<u>-</u>	<u>1,762,740</u>	<u>-</u>	<u>1,931,791</u>
<i>Net Change in Fund Balances</i>	<u>(858,964)</u>	<u>212,445</u>	<u>842,898</u>	<u>664,219</u>	<u>392,328</u>	<u>(148,178)</u>	<u>1,104,748</u>
<i>Fund Balances Beginning of Year</i>	<u>2,916,063</u>	<u>2,958,951</u>	<u>4,470,180</u>	<u>2,951,637</u>	<u>274,296</u>	<u>1,517,910</u>	<u>15,089,037</u>
<i>Fund Balances End of Year</i>	<u>\$2,057,099</u>	<u>\$ 3,171,396</u>	<u>\$5,313,078</u>	<u>\$3,615,856</u>	<u>\$ 666,624</u>	<u>\$ 1,369,732</u>	<u>\$16,193,785</u>

See accompanying notes to the basic financial statements

Miami Township
Montgomery County, Ohio

*Reconciliation of the Statement of Cash Receipts, Disbursements, and Changes
in Modified Cash Basis Fund Balances of Governmental Funds
to the Statement of Activities - Modified Cash Basis
For the Year Ended December 31, 2009*

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 1,104,748</u>
Change in Net Assets of Governmental Activities	<u>\$ 1,104,748</u>

See accompanying notes to the basic financial statements

Miami Township
Montgomery County, Ohio
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget 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	\$ 175,643	\$ 175,643	\$ 222,496	\$ 46,853
Licenses, Permits and Fees	53,975	60,000	33,877	(26,123)
Intergovernmental	1,098,757	822,568	848,027	25,459
Special Assessments	43,400	47,158	49,315	2,157
Interest	520,000	238,890	80,816	(158,074)
Other	205,000	310,000	313,033	3,033
<i>Total receipts</i>	<u>2,096,775</u>	<u>1,654,259</u>	<u>1,547,564</u>	<u>(106,695)</u>
Disbursements				
Current:				
General Government	1,697,131	2,798,746	1,384,379	1,414,367
Conservation-Recreation	313,447	407,344	385,838	21,506
Capital Outlay	523,547	1,108,035	613,220	494,815
Debt Service:				
Principal	63,000	63,000	63,000	-
Interest and Fiscal Charges	126,108	126,108	126,108	-
<i>Total Disbursements</i>	<u>2,723,233</u>	<u>4,503,233</u>	<u>2,572,545</u>	<u>1,930,688</u>
<i>Net Change in Fund Balance</i>	(626,458)	(2,848,974)	(1,024,981)	1,823,993
<i>Fund Balance Beginning of Year</i>	2,825,830	2,825,830	2,825,830	-
Prior Year Encumbrances Appropriated	90,233	90,233	90,233	-
<i>Fund Balance End of Year</i>	<u>\$ 2,289,605</u>	<u>\$ 67,089</u>	<u>\$ 1,891,082</u>	<u>\$ 1,823,993</u>

See accompanying notes to the basic financial statements

Miami Township
Montgomery County, Ohio
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Police 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	\$ 3,784,064	\$ 3,784,064	\$ 4,387,366	\$ 603,302
Charges for Services	35,001	100,000	21,290	(78,710)
Licenses, Permits and Fees	825	825	825	-
Fines and Forfeitures	45,000	126,698	29,632	(97,066)
Intergovernmental	600,000	1,085,000	691,028	(393,972)
Other	25,000	157,000	125,028	(31,972)
<i>Total receipts</i>	<u>4,489,890</u>	<u>5,253,587</u>	<u>5,255,169</u>	<u>1,582</u>
Disbursements				
Current:				
Public Safety	5,212,139	6,186,939	4,914,503	1,272,436
Capital Outlay	217,294	342,494	236,763	105,731
<i>Total Disbursements</i>	<u>5,429,433</u>	<u>6,529,433</u>	<u>5,151,266</u>	<u>1,378,167</u>
<i>Net Change in Fund Balance</i>	(939,543)	(1,275,846)	103,903	1,379,749
<i>Fund Balance Beginning of Year</i>	2,829,518	2,829,518	2,829,518	-
Prior Year Encumbrances Appropriated	129,433	129,433	129,433	-
<i>Fund Balance End of Year</i>	<u>\$ 2,019,408</u>	<u>\$ 1,683,105</u>	<u>\$ 3,062,854</u>	<u>\$ 1,379,749</u>

See accompanying notes to the basic financial statements

Miami Township
Montgomery County, Ohio
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Fire/EMS 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	\$ 3,833,364	\$ 3,833,364	\$ 4,416,341	\$ 582,977
Charges for Services	716,729	634,988	708,820	73,832
Licenses, Permits and Fees	1,000	1,000	1,314	314
Intergovernmental	676,476	676,476	757,315	80,839
Other	31,000	702,076	37,438	(664,638)
<i>Total receipts</i>	5,258,569	5,847,904	5,921,228	73,324
Disbursements				
Current:				
Public Safety	5,210,622	6,383,055	4,873,058	1,509,997
Capital Outlay	130,786	346,692	285,571	61,121
Debt Service:				
Principal	140,569	140,569	140,569	-
Interest and Fiscal Charges	11,661	11,661	11,661	-
<i>Total Disbursements</i>	5,493,638	6,881,977	5,310,859	1,571,118
<i>Excess of Receipts Over (Under) Disbursements</i>	(235,069)	(1,034,073)	610,369	1,644,442
Other Financing Sources (Uses)				
Proceeds from Debt	-	169,051	169,051	-
<i>Total Other Financing Sources (Uses)</i>	-	169,051	169,051	-
<i>Net Change in Fund Balance</i>	(235,069)	(865,022)	779,420	1,644,442
<i>Fund Balance Beginning of Year</i>	4,388,203	4,388,203	4,388,203	-
Prior Year Encumbrances Appropriated	81,977	81,977	81,977	-
<i>Fund Balance End of Year</i>	\$ 4,235,111	\$ 3,605,158	\$ 5,249,600	\$ 1,644,442

See accompanying notes to the basic financial statements

Miami Township
Montgomery County, Ohio
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Road and Bridge 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	\$ 1,311,859	\$ 1,500,985	\$ 1,500,985	\$ -
Charges for Services	30,000	20,427	20,427	-
Intergovernmental	200,000	566,309	566,309	-
Other	-	23,121	23,119	(2)
<i>Total receipts</i>	<u>1,541,859</u>	<u>2,110,842</u>	<u>2,110,840</u>	<u>(2)</u>
Disbursements				
Current:				
Public Works	1,035,378	1,511,378	1,187,473	323,905
Capital Outlay	701,000	3,275,000	325,633	2,949,367
<i>Total Disbursements</i>	<u>1,736,378</u>	<u>4,786,378</u>	<u>1,513,106</u>	<u>3,273,272</u>
<i>Net Change in Fund Balance</i>	(194,519)	(2,675,536)	597,734	3,273,270
<i>Fund Balance Beginning of Year</i>	2,940,259	2,940,259	2,940,259	-
Prior Year Encumbrances Appropriated	<u>11,378</u>	<u>11,378</u>	<u>11,378</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 2,757,118</u>	<u>\$ 276,101</u>	<u>\$ 3,549,371</u>	<u>\$ 3,273,270</u>

See accompanying notes to the basic financial statements

Miami Township
Montgomery County, Ohio
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Austin Road
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Payments in Lieu of Taxes	\$ 510,000	\$ 185,756	\$ 185,756	\$ -
Interest	-	2	2	-
Other	-	324,177	324,177	-
<i>Total receipts</i>	<u>510,000</u>	<u>509,935</u>	<u>509,935</u>	<u>-</u>
Disbursements				
Current:				
Economic Development	300,000	530,959	414,640	116,319
Capital Outlay	-	1,739,031	1,739,031	-
<i>Total Disbursements</i>	<u>300,000</u>	<u>2,269,990</u>	<u>2,153,671</u>	<u>116,319</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	210,000	(1,760,055)	(1,643,736)	116,319
Other Financing Sources (Uses)				
Proceeds from Debt	-	2,027,535	2,027,535	-
Cost of Issuance	-	(264,795)	(264,795)	-
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>1,762,740</u>	<u>1,762,740</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	210,000	2,685	119,004	116,319
<i>Fund Balance Beginning of Year</i>	272,046	272,046	272,046	-
Prior Year Encumbrances Appropriated	<u>2,250</u>	<u>2,250</u>	<u>2,250</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 484,296</u></u>	<u><u>\$ 276,981</u></u>	<u><u>\$ 393,300</u></u>	<u><u>\$ 116,319</u></u>

See accompanying notes to the basic financial statements

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009**

1. REPORTING ENTITY

Miami Township, Montgomery County, (the Township), 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 Fiscal Officer.

The reporting entity is comprised of the primary government, component units and other organizations that were included to ensure that the financial statements are not misleading.

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 road and bridge maintenance, police protection, fire protection and emergency medical services, and trash collection.

B. Component Units

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization; or the Township is obligated for the debt of the organization. The Township is also financially accountable for any organizations that are fiscally dependent on the Township in that the Township approves their budget, the issuance of their debt or the levying of their taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Township, are accessible to the Township and are significant in amount to the Township.

Based on these criteria, the Township has no component units.

C. Public Entity Risk Pools

The Township participates in one public entity risk pool, the Ohio Township Association Risk Management Authority (OTARMA). Note 10 to the financial statements provides additional information for this entity.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 2. C, these financial statements are presented on the modified cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the modified cash basis of accounting. Following are the more significant of the Township's accounting policies.

MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)

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. Governmental activities generally are financed through taxes, intergovernmental receipts or other non-exchange transactions. All activities of the Township are governmental activities.

The statement of net assets presents the modified cash 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 and receipts of interest earned on grants that is required to be used to support 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 modified cash basis or draws from the Township's general receipts.

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township function or activities in separate funds in order 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. Non-major 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. All of the Township's funds are categorized as governmental.

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)**

Governmental Funds

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The Township's major governmental funds are as follows:

1. General Fund

The General 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.

2. Police and Fire/EMS Funds

These funds receive property tax money for operating and maintaining the police and fire departments and the purchase of equipment. EMS and MVA charges for services are also recorded within the Fire/EMS Fund.

3. Road and Bridge Fund

This fund receives property tax money for constructing, maintaining and repairing Township roads and bridges.

4. Austin Road Fund

This fund receives payments in lieu of taxes for properties under tax increment financing agreements on properties located at the Austin Road Interchange project.

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

C. Basis of Accounting

The Township's financial statements are prepared using the modified cash basis of accounting. Except for modifications having substantial support, 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. Any such modifications made by the Township are described in the appropriate section in this note.

As a result of the use of the modified 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 liabilities and the related expenses) are not recorded in these financial statements.

MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)

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, department and object level.

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

To improve cash management, cash received by the Township is pooled and invested. Individual fund integrity is maintained through Township records. Interest in the pool is presented as "Equity in Pooled Cash, Cash Equivalents and Investments".

Interest earnings are allocated to Township funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2009 was \$80,816.

F. Restricted Assets

Cash, cash equivalents and investments are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. There are no restricted assets.

G. 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 financial statements.

MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)

H. Capital Assets

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

I. Interfund Receivables/Payables

The Township reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

J. Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's modified cash basis of accounting.

K. Employer Contributions to Cost-Sharing Pension Plans

The Township recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 8 and 9, the employer contributions include portions for pension benefits and for postretirement health care benefits.

L. Long-Term Obligations

The Township's modified cash basis 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.

M. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include special revenue funds whose resources are restricted for road and bridge repairs and maintenance, police and fire protection, and EMS services, which were generated by levies. The Township's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

N. Fund Balance Reserves

The Township reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances.

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)**

O. Interfund Transactions

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

P. Total Columns on Financial Statements

Total columns on the financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. This data is not comparable to a consolidation. Inter-fund type eliminations have not been made in the aggregation of this data type eliminations have not been made in the aggregation of this data.

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, Police, Fire/EMS, Road and Bridge, and Austin Road Funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the modified cash basis is due to outstanding year end encumbrances, which are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (modified cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to \$166,017 for the General Fund, \$108,542 for the Police Fund, \$63,478 for the Fire/EMS Fund, \$66,485 for the Road and Bridge Fund and \$273,324 for the Austin Road Fund.

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 Trustees have 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 deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)**

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security 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 the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
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).

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.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Township's deposits may not be returned. Protection of Township's cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC) as well as qualified securities pledged by the institution holding the assets. Any public depository in which the Township places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the FDIC. The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105 percent of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. At year-end, the carrying amount of the Township's deposits was \$11,517,530 and the bank balance was

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)**

\$11,477,931. FDIC covered \$11,373,416 of the bank balance and \$104,515 was uninsured. Of the remaining uninsured bank balance, the Township was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and collateralized with securities held by the pledging financial institution's trust department	<u>\$104,515</u>

Investments

As of December 31, 2009, the Township had the following investments:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Investment Maturities (in years)</u>	
		<u>Less than 1</u>	<u>1- 5</u>
FHLMC	\$2,500,000	\$ -	\$2,500,000
Money Market Fund	924,102	924,102	-
STAR Ohio	<u>1,252,153</u>	<u>1,252,153</u>	<u>-</u>
Total investments	<u>\$4,676,255</u>	<u>\$2,176,255</u>	<u>\$2,500,000</u>

Interest Rate Risk – Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Township's investment policy addresses interest rate risk by requiring that the Township's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity, and by investing operating funds primarily in short-term investments.

Credit Risk – The money market fund carries a rating of AAA by Moody's Investors Service. The Township has no investment policy dealing with investment credit risk beyond the requirements in state statutes. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

Concentration of Credit Risk – The Township has no investment policy dealing with concentration of credit risk beyond the requirements in state statutes. At December 31, 2009, 53 percent of the Township's investments were FHLMC and 27 percent was in STAR Ohio.

For an investment, 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. The Township's investments are exposed to custodial credit risk as they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the Township's name. The Township has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M) (2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee."

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)**

5. PROPERTY TAX

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Property tax receipts received in 2009 for real and public utility property taxes represents collections of the 2008 taxes. Property tax payments received during 2009 for tangible personal property (other than public utility property) is for 2009 taxes.

2009 real property taxes are levied after October 1, 2009 on the assessed values as of January 1, 2009, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. 2009 real property taxes are collected in and intended to finance 2010.

Real property taxes are payable annually or semi-annually. 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 tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2009 public utility property taxes which became a lien on December 31, 2008, are levied after October 1, 2009, and are collected in 2010 with real property taxes.

2009 tangible property taxes are levied after October 1, 2008, on the value as of December 31, 2008. Collections are made in 2009. Tangible personal property assessments are being phased out – the assessment percentage for all property including inventory for 2007 was 12.5 percent. This was reduced to 6.25 percent for 2008, and zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 3, with the remainder due September 20.

The full tax rate for all Township operations for the year ended December 31, 2009, was \$18.90 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2009 property tax receipts were based are as follows:

	<u>Assessed Value</u>
Real Property	\$649,820,840
Public Utility Property	12,099,490
Tangible Personal Property	27,216,280
Total Assessed Value	\$689,136,610

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)**

6. DEBT

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

Governmental Activities	Balance December 31, 2008	Additions	Reductions	Balance December 31, 2009	Due Within One Year
Capital Leases:					
Certificates of Participation,					
Series 2009, Renewable Lease	\$ -	\$2,020,000	\$ -	\$2,020,000	\$2,020,000
2009 Medic		169,051	-	169,051	53,126
2006 Aerial Fire Apparatus	287,691	-	140,569	147,122	147,122
2005 Administration Building	2,940,000	-	63,000	2,877,000	65,000
Total	<u>\$3,227,691</u>	<u>\$2,189,051</u>	<u>\$203,569</u>	<u>\$5,213,173</u>	<u>\$2,285,248</u>

During October 2009, the Township issued Certificates of Participation, Series 2009, (a renewable lease purchase agreement) in the amount of \$2,020,000. Net proceeds, after receipt of a premium and the payment of the cost of issuance, totaling \$1,762,740, were used to acquire real property for the Austin Road project. The Certificates of Participation bear an interest rate of 3 percent and mature on July 31, 2010.

During 2009, the Township entered into a capital lease for a medic in the amount of \$169,051. Amortization of the remaining lease, including interest, is scheduled as follows:

<u>Year Ended December 31</u>	<u>Amount</u>
2010	\$ 60,211
2011	60,943
2012	<u>60,943</u>
Total minimum lease payments	182,097
Less: amount representing interest	<u>(13,046)</u>
Present value of future minimum lease payments	<u>\$169,051</u>

During 2006, the Township entered into a capital lease for an aerial fire apparatus in the amount of \$688,435. Amortization of the remaining lease, including interest, is scheduled as follows:

<u>Year Ended December 31</u>	<u>Amount</u>
2010	<u>\$152,228</u>
Total minimum lease payments	152,228
Less: amount representing interest	<u>(5,106)</u>
Present value of future minimum lease payments	<u>\$147,122</u>

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)**

During 2005, the Township entered into a capital lease for the construction of an administration building in the amount of \$3,118,000. Amortization of the remaining lease, including interest, is scheduled as follows:

<u>Year Ended December 31</u>	<u>Amount</u>
2010	\$ 189,123
2011	188,946
2012	188,702
2013	189,287
2014	188,767
2015 - 2019	945,688
2020 - 2024	945,840
2025 - 2029	945,089
2030 - 2034	945,415
2035 - 2039	<u>189,349</u>
Total minimum lease payments	4,916,206
Less: amount representing interest	<u>(2,039,206)</u>
Present value of future minimum lease payments	<u>\$2,877,000</u>

7. TIF DISTRICT REVENUE PLEDGE

In September, 2008, the Township and the Montgomery County Transportation Improvement District entered into an intergovernmental agreement related to the financing of a tax increment financing district (TIF District) established for the re-alignment and improvement to Lyons Ridge and Kingsridge Drives in the vicinity of the Dayton Mall.

The agreement requires the Montgomery County Transportation Improvement District to make various improvements to the TIF District located within the Township. Funding for the project was obtained by the Montgomery County Transportation Improvement District through the issuance of \$4,885,000 of General Obligation Bonds.

The Township has pledged to the Montgomery County Transportation Improvement District the future payments in lieu of taxes (PILOTS) made by the property owners residing within the boundaries of the area.

The twenty year bonds issued by the Montgomery County Transportation Improvement District result in the Township pledging PILOTS in amounts equal to meet the debt service requirements of the bonds to be paid by the Montgomery County Transportation Improvement District , as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2010	\$ 224,938
2011	419,800
2012	412,800
2013	405,800
2014	398,300
2015 - 2019	2,027,550
2020 - 2024	2,030,288
2025 - 2028	<u>1,629,412</u>
Total pledged TIF District Revenues	<u>\$7,548,888</u>

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)**

8. DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System

Plan Description – The Township participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension 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. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the combined plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the traditional pension plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the member-directed plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety division exist only in the traditional plans.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the traditional pension and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2009, members in state and local classifications contributed 10.0 percent of covered payroll and law enforcement members contributed 10.1 percent.

The Township's contribution rate for 2009 was 14 percent, except for those plan members in law enforcement, for whom the Township's contribution was 17.63 percent of covered payroll. For the period of January 1 through March 31, a portion of the Township's contribution equal to 7 percent of covered payroll was allocated to the post-employment healthcare plan; for the period April 1 through December 31, 2009, this amount was decreased to 5.5 percent. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the Township of 14 percent, except for public safety, where the maximum employer contribution is 18.1 percent.

The Township's required contributions to the traditional and combined plans for the years ended December 31, 2009, 2008, and 2007 were \$692,081, \$716,192, and \$705,595, respectively; which were equal to the required contributions for each year.

Ohio Police and Fire Pension Fund

Plan Description – 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 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

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)**

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.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations. The Township’s contribution was 24 percent for firefighters. Contribution rates are established by State statute. For 2009, a portion of the Township’s contribution equal to 6.75 percent of covered payroll was allocated to fund the post-employment healthcare plan. The Township’s contributions to OP&F for firefighters were \$503,654, \$490,255, and \$473,259 for the years ended December 31, 2009, 2008, and 2007, respectively. All of the required contributions were paid within the respective years.

9. POST-EMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

Plan Description – 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 health care plan for qualifying members of both the traditional and combined pension plans. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment health care. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

To qualify for post-employment health care coverage, age-and-service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. Disclosures for the health care plan are presented separately in OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund post-employment health care through their contributions to OPERS. A portion of each employer’s contribution to the traditional and combined plans is set aside for the funding of post-retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2009, state and local employers contributed at a rate of 14 percent of covered payroll (17.63 percent for public safety). The Ohio Revised Code currently limits the employer contribution rate not to exceed 14 percent of covered payroll for state and local employer units (18.1 percent for public safety). Active members do not make contributions to the OPEB Plan.

OPERS’ post-employment health care plan was established under, and is administered 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 post-employment health care

MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)

benefits. The amount of the employer contributions which was allocated to fund post-employment health care was 7 percent of covered payroll from January 1 through March 31, 2009, and 5.5 percent of covered payroll from April 1 through December 31, 2009.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. The Township's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2009, 2008, and 2007 were \$257,135, \$319,321, and \$250,211, respectively. All of the required contributions were paid within the respective years.

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 increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

Ohio Police and Fire Pension Fund

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

OP&F provides access to post-retirement health care 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 Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is 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.

Funding Policy –The Ohio Revised Code sets the contribution rates for participating employers and for plan members to the OP&F. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 24 percent of covered payroll for police and fire employers. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 Trust and one for Medicare Part B reimbursements administered as an Internal Revenue Code 410(h) account, both of which are within the defined pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made to the pension plan to the section 115 Trust and section 401(h) account as the employer contribution for

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)**

retiree health care benefits. For the year ended December 31, 2009, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care 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 which were allocated to fund post-employment health care benefits for firefighters were \$141,527, \$137,884 and \$133,104 for the year ended December 31, 2009, 2008, and 2007, respectively. All of the required contributions were paid within the respective year.

10. RISK MANAGEMENT

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of OTARMA and provides underwriting, claims, loss control, risk management, and reinsurance services for OTARMA. OTARMA is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

APEEP provides OTARMA with an excess risk-sharing program. Under this arrangement, OTARMA retains insured risks up to an amount specified in the contracts. At December 31, 2009, OTARMA retained \$350,000 for casualty claims and \$150,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2009 and 2008:

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)**

	<u>2009</u>	<u>2008</u>
Assets	\$38,982,088	\$40,737,740
Liabilities	<u>(12,880,766)</u>	<u>(12,981,818)</u>
Retained earnings	<u>\$26,101,322</u>	<u>\$27,755,922</u>

At December 31, 2009 and 2008, respectively, the liabilities above include approximately \$12.0 and \$12.1 million of estimated incurred claims payable. The assets above also include approximately \$11.5 and \$10.9 million of unpaid claims to be billed to approximately 946 member governments in the future, as of December 31, 2009 and 2008, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2009, the Township's share of these unpaid claims collectible in future years is approximately \$124,000.

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership.

<u>Year</u>	<u>Contribution</u>
2007	\$131,824
2008	122,420
2009	115,142

After one year of membership, a member may withdraw on the anniversary of the date of joining OTARMA, if the member notifies OTARMA in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

11. RELATED ORGANIZATIONS

The Miami Township – City of Dayton Joint Economic Development District is a political body incorporated and established by the Township Board of Trustees and the City Commission under the provisions of Sections 715.72 to 715.83 of the Ohio Revised Code, on January 1, 2007. The District operates under the direction of a five member Board of Directors. By law the Board is comprised of one member representing the City, appointed by the City Commission; one member representing the Township, appointed by the Township Trustees; one member representing the owners of the businesses located in the District, appointed by the City Commission with the concurrence of the Township Trustees; one member representing the persons employed in the District, appointed by the Township Trustees with the concurrence of the City Commission; and one member selected by the other Board members. The District's purpose is to promote economic development activities in the geographic area comprising the District. Such area is located in Miami Township and includes the Dayton - Wright Brothers Airport, which is owned by the City of Dayton.

The Miami Township – Dayton Mall Joint Economic Development District is a political body incorporated and established by the Township Board of Trustees and the City Council under the provisions of Sections 715.72 to 715.83 of the Ohio Revised Code, on June 11, 2009. The District

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009
(continued)**

operates under the direction of a five member Board of Directors. By law the Board is comprised of one member representing the City, appointed by the City Council; one member representing the Township, appointed by the Township Trustees; one member representing the owners of the businesses located in the District, appointed by the City Council with the concurrence of the Township Trustees; one member representing the persons employed in the District, appointed by the Township Trustees with the concurrence of the City Council; and one member selected by the other Board members. The District's purpose is to promote economic development activities in the geographic area comprising the District. Such area is located in Miami Township.

The Austin Center – Joint Economic Development District is a political body incorporated and established by the Miami Township, the City of Miamisburg, the City of Springboro and Montgomery County under the provisions of Sections 715.72 to 715.83 of the Ohio Revised Code, effective September 1, 2009. The District operates under the direction of a five member Board of Directors. By law the Board is comprised of one member from appointed by each of the respective entities and one member representing the owners of the businesses located in the District, appointed by a majority of the 4 appointed board members. The District's purpose is to promote economic development activities in the geographic area comprising the District. Such area is located in Miami Township.

12. SUBSEQUENT EVENTS

On July 29, 2010 the Township issued \$2,225,000 of Certificates of Participation, Series 2010 to refinance the \$2,020,000 of Certificates of Participation, Series 2009.

On April 29, 2010 the Township issued \$8,550,000 of Various Purpose Limited Tax General Obligation Bonds, Taxable Series 2010B, to finance construction of a fire station and public works.

Bastin & Company, LLC

Certified Public Accountants

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Members of the Board of Trustees
Miami Township, Montgomery County

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Miami Township (the Township), Montgomery County, Ohio as of and for the year ended December 31, 2009, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated August 5, 2011 wherein we noted that the Township's financial statements follow the modified cash accounting basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

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 auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we do not express an opinion 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, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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 to be material weaknesses, as defined above. However, we consider the deficiency labeled as 2009-01 described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on 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 such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, others within the entity, and the Board of Trustees and is not intended to be and should not be used by anyone other than these specified parties.

Bastin & Company, LLC

Cincinnati, Ohio
August 5, 2011

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
SCHEDULE OF FINDINGS
DECEMBER 31, 2009**

Finding Number 2009-01 - Audit Adjustments

The Township omitted in the initial financial statements presented for audit, the cash balances, proceeds and disbursements related to the issuance of the Certificates of Participation, Series 2009. As a result, adjustments have been made to the financial statements to properly reflect the debt proceeds and premium of \$2,027,535, the cost of issuance of \$264,795, the capital outlay expenditure of \$1,650,326 and the year end cash balances of \$112,414, in the Austin Road Fund. The recording of this transaction also required changing the reporting of the Austin Road Fund as a major fund, originally reflected as a non-major fund, and reporting the Trash Fund as a non-major fund, originally reported as a major fund.

The presentation of materially correct financial statements is the responsibility of management. We recommend that the Township implement control procedures to ensure the proper recording and reporting of debt related transactions.

Township's Response

This transaction flowed through accounts separate from the normal operating accounts of the Township. The Township concurs that it should have been reported and will report such transactions in the future. It should be noted that the net impact on the Township's fund balances are minimal as all proceeds from the debt issue are liquidated during the 2010 refinancing of the debt issue.

**MIAMI TOWNSHIP
MONTGOMERY COUNTY, OHIO
SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2009**

Finding Number	Finding Summary	Fully Corrected?	Status Explanation:
2008-01	Ohio Revised Code 135.14 (B)(1)(2) and 135.14(C) ineligible investments	Yes	The Township liquidated ineligible investments during 2009.



Dave Yost • Auditor of State

MIAMI TOWNSHIP

MONTGOMERY 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 22, 2011**