

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

**REPORT OF INDEPENDENT  
ACCOUNTANTS ON INTERNAL  
CONTROLS AND COMPLIANCE**

**December 31, 2011**





# Dave Yost • Auditor of State

Deerfield Township Trustees  
Deerfield Township  
4900 Parkway Dr, Ste 150  
Mason, OH 45040-9002

We have reviewed the *Report of Independent Accountants* of the Deerfield Township, Warren County, prepared by Joseph Decosimo and Company, LLC, for the audit period January 1, 2011 through December 31, 2011. 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. The Deerfield Township is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost". The signature is fluid and cursive, with the first letters of "Dave" and "Yost" being capitalized and prominent.

Dave Yost  
Auditor of State

November 2, 2012

**This page intentionally left blank.**

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

**CONTENTS**

---

Report of Independent Accountants on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	1/2
Schedule of Prior Audit Findings	3

**This page intentionally left blank.**

**REPORT OF INDEPENDENT ACCOUNTANTS 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***

To the Board of Trustees  
Deerfield Township  
Warren County, Ohio

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Deerfield Township, Warren County, Ohio, as of and for the year ended December 31, 2011, which collectively comprise the Township's basic financial statements and have issued our report thereon dated June 26, 2012. 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**

Management of the Township is responsible for establishing and maintaining effective 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.

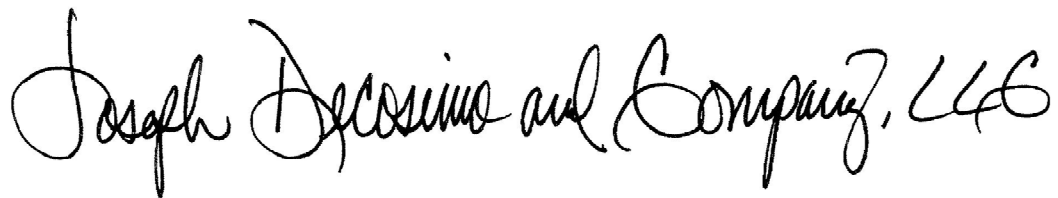
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material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

#### **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*.

We noted certain matters that we reported to management of Deerfield Township in a separate letter dated June 26, 2012.

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

A handwritten signature in black ink that reads "Joseph Decosimo and Company, LLC". The signature is written in a cursive, flowing style.

Cincinnati, Ohio

June 26, 2012



**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

**SCHEDULE OF PRIOR AUDIT FINDINGS**

**Year Ended December 31, 2011**

---

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Fully Corrected?</b>	<b>Not Corrected; Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid</b>
2010-001	Significant Deficiency - Segregation of Duties	Yes	Finding No Longer Valid

**This page intentionally left blank.**

# Deerfield Township



## Comprehensive Annual Financial Report

Warren County, Ohio  
For The Year Ended December 31, 2011





# Introductory Section



**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**Issued by:**  
**Fiscal Office**

**John Wahle**  
**Fiscal Officer**

**THIS PAGE INTENTIONALLY LEFT BLANK**



DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2011

Table of Contents

INTRODUCTORY SECTION

Title Page .....	i
Table of Contents .....	iii
Letter of Transmittal .....	vii
Certificate of Achievement .....	xv
List of Principal Officials .....	xvi
Organizational Chart .....	xvii

FINANCIAL SECTION

Independent Auditors' Report .....	1
Management's Discussion and Analysis .....	3
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets .....	14
Statement of Activities .....	15
Fund Financial Statements:	
Balance Sheet – Governmental Funds .....	16
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities .....	17
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	19
Statement of Fiduciary Net Assets – Fiduciary Fund .....	20
Statement of Changes in Fiduciary Net Assets – Fiduciary Fund .....	21

Notes to the Basic Financial Statements.....	23
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance –	
Budget (Non-GAAP) and Actual – General Fund .....	50
Schedule of Revenues, Expenditures and Changes in Fund Balance –	
Budget (Non-GAAP) and Actual – Police District Fund .....	52
Schedule of Revenues, Expenditures and Changes in Fund Balance –	
Budget (Non-GAAP) and Actual – Fire Special Levy Fund .....	53
Schedule of Revenues, Expenditures and Changes in Fund Balance –	
Budget (Non-GAAP) and Actual – Ambulance and EMS Fund.....	54
Schedule of Revenues, Expenditures and Changes in Fund Balance –	
Budget (Non-GAAP) and Actual – 1998 TIF General Reserve Fund.....	55
Schedule of Revenues, Expenditures and Changes in Fund Balance –	
Budget (Non-GAAP) and Actual – 1998 TIF General Revenue Fund.....	56
Notes to Required Supplementary Information .....	57
Combining Financial Statements and Individual Fund Schedules	
Nonmajor Governmental Funds:	
Fund Descriptions .....	60
Combining Balance Sheet – Nonmajor Governmental Funds .....	62
Combining Statement of Revenues, Expenditures and Changes in	
Fund Balances – Nonmajor Governmental Funds .....	63
Combining Balance Sheet – Nonmajor Special Revenue Funds .....	64
Combining Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Nonmajor Special Revenue Funds .....	66
Combining Balance Sheet – Nonmajor Debt Service Funds .....	68
Combining Statement of Revenues, Expenditures and Changes in	
Fund Balances – Nonmajor Debt Service Funds .....	69

## Individual Fund Schedules of Revenues, Expenditures and Changes in

### Fund Balance – Budget (Non-GAAP) and Actual:

Motor Vehicle Tax Fund.....	70
Gasoline Tax Fund.....	71
Road and Bridge Fund.....	72
Cemetery Fund.....	73
Park Fund.....	74
Permissive Motor Vehicle Tax Fund.....	75
Street Lighting Fund.....	76
TIF Reserve Fund.....	77
General Debt Service Fund.....	78
Special Assessment Debt Service Fund.....	79
TIF Debt Service Fund.....	80
Capital Projects Fund.....	81

## STATISTICAL SECTION

Statistical Section Description.....	83
Net Assets by Component – Last Seven Years.....	84
Changes in Net Assets – Last Seven Years.....	85
Fund Balances, Governmental Funds – Last Seven Years.....	86
Changes in Fund Balances, Governmental Funds – Last Ten Years.....	87
Assessed Valuation and Estimated Actual Values of	
Taxable Property – Last Ten Years.....	88
Property Tax Rates – Direct and Overlapping Governments	
(Per \$1,000 of Assessed Valuation) - Last Ten Years.....	90
Principal Taxpayers – Real Estate Tax – 2011 and 2001.....	92
Property Tax Levies and Collections – Last Ten Years.....	93
Ratio of Outstanding Debt to Total Personal Income and	
Debt per Capita – Last Eight Years.....	94

Ratio of General Obligation Bonded Debt to Assessed Value and Bonded Debt per Capita – Last Four Years.....	95
Computation of Direct and Overlapping Governmental Activities Debt – December 31, 2011 .....	96
Legal Debt Margin – Last Ten Years.....	97
Principal Employers – Ranked by Number of Full-Time Employees – 2011.....	98
Demographic and Economic Statistics – Last Ten Years .....	99
Full-Time Equivalent Township Government Employees by Function – Last Five Years .....	100
Operating Indicators by Function – Last Five Years .....	101
Capital Assets Statistics by Function – Last Five Years.....	102



Daniel J. Corey • Christopher Romano • Pete Patterson - Board of Trustees  
John Wahle - Fiscal Officer  
Bill Becker - Administrator

June 27, 2012

Citizens of Deerfield Township  
Trustees of Deerfield Township

Deerfield Township is pleased to submit to you our 2011 Comprehensive Annual Financial Report (CAFR). The report covers calendar year ending December 31, 2011. The CAFR includes financial statements and other financial and statistical data and conforms to accounting principles generally accepted in the United States of America that apply to governmental entities. Accuracy of the data presented, as well as the completeness and fairness of the presentation, including all disclosures, are the responsibility of the Township.

The report provides the taxpayers of Deerfield Township with comprehensive financial data in a format that will enable them to gain a true understanding of the financial affairs of the Township. This report will be published on the Ohio Auditors website and the Township website ([www.choosedeerfield.com](http://www.choosedeerfield.com)). A press release will be sent to the area media and hard copies will be provided upon request.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Deerfield Township's MD&A can be found immediately following the independent auditors' report.

#### Financial Statement Format

The Comprehensive Annual Financial Statement is divided into the following three sections:

1. Introductory Section contains the
  - a. Table of Contents
  - b. Letter of Transmittal
  - c. List of Principal Officers
  - d. Township Organization Chart
2. Financial Section contains the
  - a. Independent Auditors' Report
  - b. Management's Discussion and Analysis
  - c. Basic Financial Statements and Notes
  - d. Required Supplemental Information
  - e. Combining Statements by Fund Type
  - f. Non-major funds and other schedules that provide detailed information
3. Statistical Section contains the
  - a. Financial Trends
  - b. Economic Data
  - c. Demographic Data

## **TOWNSHIP OVERVIEW**

Deerfield Township, founded in 1803, is located in southwestern Warren County. Deerfield is the largest jurisdiction in Warren County, with an estimated population of over 36,000 residents. With a strong residential and commercial base, Deerfield Township is ***committed to service excellence*** to our residential and corporate citizens.

The Township is located along the Interstate 71 corridor just north of Interstate 275; approximately 18 miles northeast of downtown Cincinnati and 29 miles from downtown Dayton. The region is positioned within 600 miles of approximately 54% of the United States population and buying power.

## **TOWNSHIP ORGANIZATION AND REPORTING ENTITY**

The Township operates as a limited home rule form of government and is directed by a publicly elected three-member Board of Trustees. The Trustees are elected for overlapping terms of four years. The board has an elected Township Fiscal Officer and appoints the Township Administrator.

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

The primary government of the Township consists of all funds, departments, boards and agencies that are legally separate from the Township. For Deerfield Township, this includes providing police protection, fire and emergency medical services, road maintenance and repairs, parks and recreation, planning and zoning, economic development, and cemeteries.

## **ITEMS OF LOCAL INTEREST**

### **Parks and Recreation**

The Township features ten parks covering approximately 415 acres within the boundaries of Deerfield Township that are owned or supported by Deerfield Township. Parks are generally described as land owned by a public entity that provides passive or active recreation opportunities. Additionally, there are over 30 acres of open space that is a less refined area of natural landscape and tree growth preserved for public or private natural beauty and semi-rural character. Additionally, the Township annually offers programs throughout the year including camps, Movies in the Park and educational programs.

#### **Fleckenstein Park**

Fleckenstein Park is 50 acres and is located in the Northwest Quadrant. The park features baseball fields, tennis courts, playgrounds, soccer fields, water features, concession stands and extensive walking paths. In addition, the park has a unique barn that was recently restored and has potential for future programming opportunities.

#### **Carter Park**

In 2002, the Township purchased Carter Park along with the King Mansion. Located in Kings Mills, the park has several paths within the 100-acre park. Additionally, the property is home to the King Mansion which was built in the 1850s and was recently put on the National Register of Historic Places. The park

provides the perfect setting for several of our nature camp programs along with various Eagle Scout projects. The park is adjacent to the Little Miami River and offers spectacular views of the river and Kings Mills history.

#### Cottell Park

This 50-acre award winning park is centrally located in the heart of Deerfield Township. Located at the intersection of Irwin-Simpson and Snider Road, the park is the busiest and most used of all the parks in Deerfield Township. The park has five baseball fields, four soccer fields, two lacrosse fields, two playgrounds, two shelters and a veteran memorial park that provide ample opportunities for recreation activities. In addition, the park is the site of the Snyder house which was built in the mid-1850s. This building has been remodeled and updated over the years and is available for party rentals or business meetings. In addition, the Snyder House is home of the Mason Deerfield Arts Alliance, which in partnership with the Township, offers first class art events and programming for the community. In addition, Cottell Park is the site for the majority of our park programs including summer camps, Easter Egg Hunt and Movies in the Park to name a few.

#### Schappacher Park

Located near the main business corridor, this 10-acre park has a playground, two shelters, restrooms, pathway connections and a dog run. Schappacher Park provides a natural buffer between the business district and the residential communities. This park is heavily used and was named as the best dog park by a local magazine.

#### 20 Mile Park, Carriage Gate Park, and Socialville Foster Park

These three parks account for 18 acres of park land that offer pathways, water features, benches and gazebos. Situated at various locations in the Landen area, these parks provide beauty and green space along with a buffer for the multi-family and residential communities.

#### Landen Deerfield Park and Craig Minard Park

These two parks in Deerfield Township offer several recreational and program opportunities. The parks are a partnership between Deerfield Township and Warren County that offer eight baseball fields, ten soccer fields, two football fields, mountain bike paths, amphitheatre and beautiful water features. With these superb amenities, the park is a perfect setting for many programs including the concert series, Movies in the Park and the annual St. Patrick's Day trail race. These two Warren County maintained parks also provide a variety of pathways and fitness equipment that promote healthy lifestyles in a beautiful park setting.

#### Green Space

In addition to the park system maintained by the Township, Deerfield owns several open space areas that account for over approximately 100 additional acres of open space, woodlands and streams. These properties include the Townsley Road green space, the Loveland Park open space and Fosters Crossing. This is an example of how the Township enhances the quality of life in the community by offering natural areas that promote storm-water absorption, wildlife spaces and naturalized open areas.

## **Education, Culture and Nearby Attractions**

Rated the number one place to live in Warren County, Deerfield Township is one of the area's most popular communities, named one of the top 15 communities in the Tri-State. We are a thriving community with 36,000 residents and hundreds of businesses with all the advantages of central suburban living, and a few more besides! Residents know that Deerfield Township truly is the ideal place in which to raise a family, live, work and shop! Everything needed for a quality lifestyle is right here in Deerfield Township: entertainment, shopping, schools, restaurants and more. When it comes to entertainment, there are many popular attractions the whole family can enjoy without traveling far from home: Kings Island, Regal Cinemas, Little Miami Bike Trail, a plethora of parks and athletic fields, malls, fishing lakes, outdoor concerts, golf courses and festivals.

And because Deerfield Township is conveniently located within minutes of major interstates, residents can easily access surrounding Greater Cincinnati and Dayton attractions: the Cincinnati Zoo and Botanical Gardens, the Cincinnati Art Museum, Music Hall, the Aronoff Center, Major League Baseball, National League Football, the Museum of Natural History, the Dayton Art Institute, and the Dayton Contemporary Dance Company.

Educational choices abound in the area, with the Township served by three award-winning school districts, Kings, Mason and Princeton schools. Each district has had its share of state championship titles in basketball, football, track and field and other sports. And there are also a number of private schools from which to choose. Pursuing higher education is more convenient than ever with nearby campuses for those who need to juggle education with work and family. Xavier University, Hondros University, Sinclair Community College and Strayer University all offer suburban locations in Deerfield. Major metropolitan colleges such as Miami University, Xavier University, University of Cincinnati and the University of Dayton are also easy to access via interstates.

Shoppers will find they have lots of choices, too. Deerfield Towne Center is northern Cincinnati's premier lifestyle shopping center and home to over 50 national brand stores, specialty boutiques, one-of-a-kind furniture stores, exclusive restaurants, great entertainment, and Regal Cinemas, all close to home. After a day of shopping, relax and dine in one of the many Deerfield Towne Center restaurants or take in a movie.

While Deerfield Township continues to see a healthy increase in commercial development, there remain those qualities that have always made it an enjoyable place to live. Expansive parks and green space, picturesque neighborhoods and convenient amenities are features that draw so many people to settle within Deerfield Township.

## **Transportation**

Deerfield Township lies in the vibrant southwest corner of Warren County. The Township has over 107 centerline miles of Township maintained roadways along with additional state and county roads. Located along the I-71 corridor, the Township has a high level of interstate access with three interchanges located at Fields Ertel, Western Row, and Kings Mills.

Deerfield Township strives to expand and enhance its transportation corridors and works closely with the Ohio Department of Transportation and the Warren County Engineer. The Township provides its



residents with miles of pathways and sidewalks connecting the residential and commercial elements of the Township.

Deerfield Township is an active member of the Warren County Transportation Improvement District. As a member of the district the Township is able to leverage valuable dollars on major infrastructure projects to obtain the largest return on its investment. A series of improvements are being implemented in the Fields Ertel / Mason –Montgomery / Interstate 71 area to improve safety and capacity on those roadways.

Downtown Cincinnati can be easily accessed in a 30 minute drive and the Cincinnati Northern Kentucky International Airport is only 40 minutes away. Rail access is conveniently located in Franklin, Ohio, 30 minutes from Deerfield.

### **ECONOMIC CONDITIONS AND OUTLOOK**

Deerfield Township is located in one of the fastest growing counties in the state of Ohio and together with the City of Mason, Deerfield comprises almost a third of Warren County's population. Deerfield is home to over 36,000 residents who live in a variety of housing types from apartments and starter homes to luxury homes and condos and homes targeted to empty nesters. Neighborhoods in Deerfield have been a popular choice for Home-a-rama, the showcase of homes sponsored by the Homebuilders Association of Greater Cincinnati.

Deerfield is home to the largest suburban office center in the greater Cincinnati Region. The Governor's Pointe / Governor's Pointe North development totals over 1 million square feet of office space. Many of the largest employers in Warren County call Deerfield home, including Macy's Credit and Customer Service, Well Point, Express Scripts, Cengage, and MedPlus. Deerfield offers a mix of office buildings from traditional multistory to flex office to condo units for sale.

Deerfield is also home to the largest auto shopping experience in the region. The Kings Auto Mall includes dealers that represent over 20 auto makers on 85 acres. The Auto Mall has expanded over the years to accommodate the ever changing auto sales market.

Deerfield's many hotels offer over 1,700 rooms for the business traveler or the vacationer who is enjoying the many attractions conveniently located to Deerfield such as Kings Island or Bengals and Reds games.

Deerfield has a strong dining, shopping and entertainment mix to the benefit of both its residents and guests.

- The Fields Ertel Road corridor continues to provide a mix of local and regional shopping opportunities and includes the Kings Auto Mall.
- The Mason Montgomery Road corridor has expanded to include the Deerfield Towne Center, a regional shopping center that provides upscale shopping as well as fine dining experience. Deerfield Village Square is a mixture of offices, condominiums, and restaurants designed in a charming 19<sup>th</sup> century architecture style creating a pedestrian friendly

atmosphere; and Shoppes of Deerfield North and South and the Arbor Square Center provide local and regional shopping.

- Both the Fields Ertel and Mason Montgomery businesses are easily accessible from the Fields Ertel – Mason Montgomery interchange with Interstate 71.
- The Kings Mills interchange with Interstate 71 is primarily hospitality oriented with restaurants and hotels to complement Kings Island.
- The Montgomery Road corridor, the historic center of commerce for the northeast Cincinnati area, continues to provide a mix of local restaurants and shops to serve the community and has recently been improved with a road and sidewalk enhancement project.

Deerfield Township has evolved in the last decade to be one of the more prestigious and vibrant communities in Warren County providing its residents and business owners with all the services that represent quality of life.

### **PUBLIC PROJECTS**

In keeping with the Deerfield Township's 2020 vision as outlined in the Township's Comprehensive Plan, a continued commitment has been made to expanding and improving the Township's pathway network. In 2011, the Township constructed approximately 2 miles of sidewalk connections throughout the community. These pathways were constructed to complete some of the "missing links" in our pathway network.

The Township has continued to work closely with the Warren County Engineer's Office and the Ohio Department of Transportation to improve transportation and reduce traffic congestion. One ongoing improvement was the next phase of the Irwin-Simpson Widening project. Design on the next phase of that widening was started in 2011 for anticipated construction to begin in late 2012. Additionally, the Township performed many different maintenance projects to ensure our roadways and infrastructure were sound.

### **FINANCIAL INFORMATION**

#### **Internal Control Structure and Budgetary Controls**

Development of the Township's accounting system includes consideration of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance regarding –

- The safeguarding of assets against unauthorized use or disposition
- The reliability of financial records for preparing financial statements

The concept of reasonable assurance states that internal control should be evaluated to insure that the expense associated with providing internal controls does not exceed the benefit expected to be derived from their implementation. This evaluation involves estimates and judgment by the Township administration and members of the Fiscal Office. The administrative and financial management

personnel believe that the Township's financial controls adequately safeguard existing assets and provide reasonable assurance of proper recording of financial transactions.

The Township utilizes a fully automated accounting system. The system coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable. Budgets are controlled at the fund level. All purchase order requests must be approved by a Township manager and the Township Administrator with the Township Fiscal Officer or designee certifying that the funds are available; necessary funds are then encumbered and purchase orders are released.

#### Financial Condition

The Township's financial statements are presented in accordance with Generally Accepted Accounting Principles. The Township is committed to and will continue to provide and prepare financial statements following GASB Statement 34, "Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments." GASB 34 creates new basic financial statements for reports as follows:

- Government-wide financial statements – These statements are prepared on an accrual basis of accounting that is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the Township that are governmental and those that are considered business-type activities.
- Fund financial statements – Those statements are prepared to present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the governmental-wide financial statements. Fiduciary funds use the accrual basis of accounting.
- Schedules of budgetary comparison – These schedules present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

#### Long-Term Financial Planning

As part of the annual budgeting process, the Township administration along with the Finance Department prepares a capital improvement plan for the next five years. The Board of Trustees then reviews and prioritizes the projects. In addition to the capital improvement plan, Deerfield Township uses a financial forecast for both operating and capital expenditures. Using these tools, the Board makes decisions and allocates resources for long-term financial planning.

#### **CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Deerfield Township for its comprehensive annual financial report for the fiscal year ended December 31, 2010. This was the second consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally

accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

### **OTHER INFORMATION**

#### **Independent Audit**

An audit team from Joseph Decosimo & Company has performed this year's audit. The results of the audit are presented in the Independent Auditors' Report.

### **ACKNOWLEDGMENTS**

Our appreciation is extended to the Deerfield Township Board of Trustees, all Department Managers and employees for contributing to the sound financial position of Deerfield Township. Additionally, we wish to thank Hurst Kelly and Company, CPA for their assistance with this year's CAFR. This report demonstrates a level of professionalism and accountability that Deerfield Township strives to maintain. A special thanks is due Jennifer Wagner, Deerfield Township's Finance Manager.

Sincerely

A handwritten signature in black ink, appearing to read "Bill Becker", with a long horizontal flourish extending to the right.

Bill Becker  
Township Administrator

A handwritten signature in black ink, appearing to read "John Wahle", with a long horizontal flourish extending to the right.

John Wahle  
Fiscal Officer

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Deerfield Township  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Linda C. Danison*

President

*Jeffrey R. Enen*

Executive Director

**Deerfield Township  
Warren County, Ohio**

List of Principal Officials

**Elected Officials**

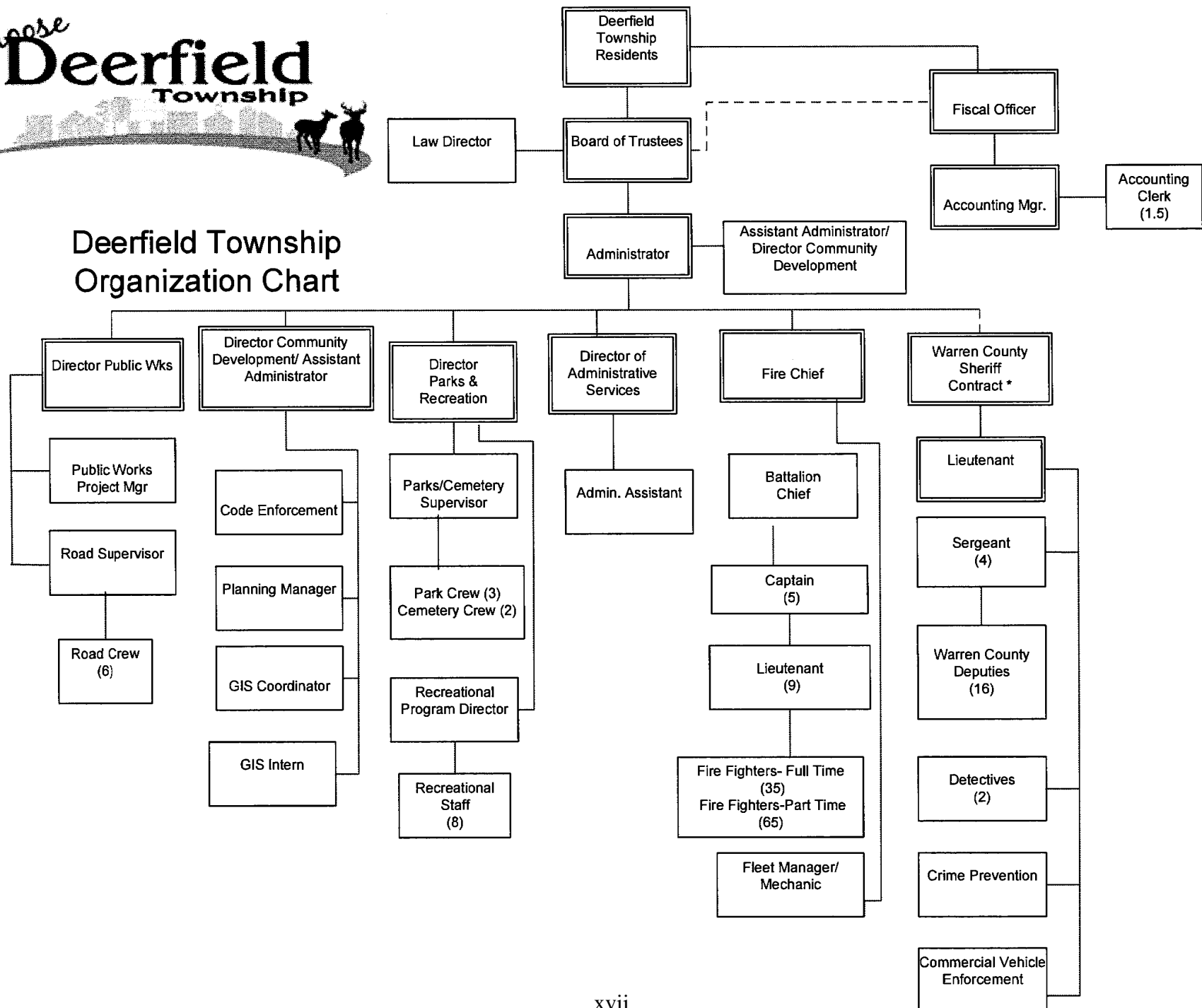
Trustee	Dan Corey
Trustee	Pete Patterson
Trustee	Chris Romano
Fiscal Officer	John Wahle

**Appointed Officials**

Administrator	Bill Becker
Director of Community Development/ Assistant Administrator	Lois McKnight
Director of Park/Recreation	Joel Smiddy
Director of Administrative Services	Matt Clark
Accounting Manager	Jennifer Wagner
Fire Chief	Chris Eisele
Director of Public Works	Eric Reiners



## Deerfield Township Organization Chart



**THIS PAGE INTENTIONALLY LEFT BLANK**





# Financial Section



## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees  
Deerfield Township  
Warren County, Ohio

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Deerfield Township, Warren County, Ohio, (the Township), as of and for the year ended December 31, 2011, 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 *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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we express no such opinion. 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 opinions.

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Deerfield Township, Warren County, Ohio, as of December 31, 2011, and the respective changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

As described in Notes 2 and 17, during the year ended December 31, 2011, the Township adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

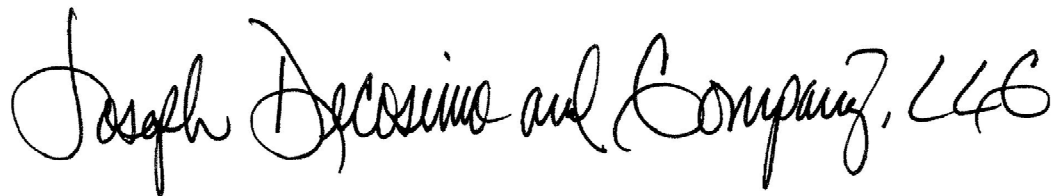
In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2012, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and 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 internal control over financial reporting or on 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 and budgetary comparison information on pages 3 through 12 and 50 through 57 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Deerfield Township, Warren County, Ohio's, financial statements. The combining and individual nonmajor fund financial statements, and the budgetary comparison schedules of nonmajor governmental funds are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements (presented on pages 62 through 69) and budgetary comparison schedules of nonmajor governmental funds (presented on pages 70 through 81) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the budgetary comparison schedules of nonmajor governmental funds are fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Deerfield Township, Warren County, Ohio's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

A handwritten signature in black ink that reads "Joseph Decosimo and Company, LLC". The signature is written in a cursive, flowing style.

Cincinnati, Ohio  
June 26, 2012

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

---

The discussion and analysis of Deerfield Township, Ohio's financial performance provides an overall review of the Township's financial activities for the year ended December 31, 2011. The intent of this discussion and analysis is to look at the Township's financial performance as a whole. Readers should also review the financial statements and the notes to the basic financial statements to enhance their understanding of the Township's financial performance.

**Financial Highlights**

Key financial highlights for the year ended December 31, 2011, are as follows:

- Total net assets increased by approximately \$5 million, which represents 16 percent of the net assets at the beginning of 2011. Overall, net assets increased in 2011 as a result of increased property tax and intergovernmental receipts as well as a reduction in short-term notes and long-term obligations.
- Total assets of governmental activities at December 31, 2011, increased by approximately \$.2 million during 2011 which is essentially flat compared to 2010.
- The \$2.9 million unassigned ending fund balance reported in the General Fund represents 100 percent of the total expenditures reported in the General Fund for 2011.
- On a budgetary basis, the General Fund realized an increase in fund balance of \$.5 million, which includes encumbrances of \$111,642. Ending budgetary fund balance at December 31, 2011, was approximately 97 percent of the General Fund's annual budgetary expenditures.

**Using this Annual Financial Report**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Deerfield Township, Ohio, as a financial whole. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole Township, presenting both an aggregated view of the Township's finances and a longer-term view of those statements. Major fund financial statements provide the next level of detail. These statements tell how services were financed in the short-term as well as the amount of funds available for future spending. The fund financial statements also look at the Township's most significant funds with all other nonmajor funds presented in total in one column.

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

---

**Reporting the Township as a Whole**

*Government-Wide Financial Statements-  
Statement of Net Assets and the Statement of Activities*

The analysis of the Township as a whole begins on page 14 with the Statement of Net Assets and the Statement of Activities.

While this document contains a large number of funds used by the Township to provide programs and activities, the view of the Township as a whole looks at all financial transactions and asks the question, "How did we do financially during 2011?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Township's net assets and changes in those assets. This change informs the reader whether the Township's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements should take into account non-financial factors that also impact the Township's financial well-being. Some of these factors include the Township's tax base and the condition of its capital assets.

In the Statement of Net Assets and the Statement of Activities, the Township presents only governmental activities where all of the Township's services are reported including general government, public safety (which includes police, fire and emergency medical services), cemetery, public works and parks and recreation.

**Reporting the Township's Most Significant Funds**

*Fund Financial Statements*

The analysis of the Township's major funds begins on page 16. Fund financial statements provide detailed information about the Township's major funds – not the Township as a whole. Some funds are required by State law and other funds may be established by the Fiscal Officer, with approval of the Board of Trustees, to help control, manage and report money received for a particular purpose or to show that the Township is meeting legal responsibilities for use of grants. The Township's major funds include the General, Police District, Fire and EMS, 1998 TIF General Reserve, 1998 TIF General Revenue, TIF Debt Service and Capital Projects funds.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

---

***Governmental Funds:*** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Township maintains many individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

***Fiduciary Funds:*** The financial activity of custodial funds, for which the Township acts as the fiscal agent, is reported separately in the Statement of Fiduciary Net Assets. This financial activity is excluded from the Township's other financial statements because the Township cannot use these assets to finance its operations. The Township is responsible for ensuring the assets reported in these funds are used for their intended purposes.

### **The Township as a Whole**

Recall that the Statement of Net Assets provides the perspective of the Township as a whole. In the case of Deerfield Township, Ohio, assets exceeded liabilities by a total of \$36.8 million at December 31, 2011.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

---

Table 1 provides a summary of the Township's net assets for 2011 compared to 2010:

**TABLE 1**  
**NET ASSETS**

	Governmental Activities	
	<b>2011</b>	<b>2010</b>
Assets:		
Current and Other Assets	\$ 48,827,192	\$ 48,050,261
Capital Assets, Net	42,304,359	42,870,731
Total Assets	91,131,551	90,920,992
Liabilities:		
Current and Other Liabilities	26,520,358	29,506,523
Long-Term Liabilities:		
Due within One Year	1,451,535	1,531,282
Due in more than One Year	26,318,302	28,042,563
Total Liabilities	54,290,195	59,080,368
Net Assets:		
Invested in Capital Assets, Net		
of Related Debt	7,544,544	1,525,731
Restricted:		
Other Purposes	10,259,971	8,379,992
Debt Service	636,657	828,316
Purposes Permitted by TIF Agreement	12,390,671	15,498,096
Unrestricted	6,009,513	5,608,489
Total Net Assets	\$ 36,841,356	\$ 31,840,624

As displayed in Table 1, total net assets of the Township increased by approximately \$5 million from 2010 to 2011. This was due primarily to increases in property and other taxes, payments in lieu of taxes and the acquisition of capital assets. During 2011, the Township added approximately \$1.5 million to their capital assets and paid approximately \$2.3 million in annual long-term debt service as well as retired \$5 million of short-term notes.

As noted earlier, the Township's net assets, when reviewed over time, may serve as a useful indicator of the Township's financial position. A portion of the Township's net assets (21%) reflects its investments in capital assets (e.g., land, buildings, machinery and equipment, vehicles and infrastructure) less any related debt used to acquire those assets that is still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.



**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

---

Although the Township's investments in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table 2 shows the changes in the governmental activities net assets for the year ended December 31, 2011.

**TABLE 2  
STATEMENT OF ACTIVITIES**

	Governmental Activities	
	<b>2011</b>	<b>2010</b>
Revenues:		
Program Revenues:		
Charges for Services	\$ 1,678,427	\$ 1,698,732
Operating Grants/Contributions	1,210,428	516,440
Capital Grants/Contributions	48,574	301,558
General Revenues:		
Property and Other Taxes	13,025,749	10,540,412
Grants and Entitlements	1,861,080	1,211,390
Payment in Lieu of Taxes	10,121,796	9,759,328
Investment Earnings	12,421	24,141
Loss on Sale of Capital Assets	(690,000)	-
Total Revenues	<u>27,268,475</u>	<u>24,052,001</u>
Program Expenses:		
General Government	2,796,902	2,658,125
Payments to Schools	3,747,902	3,794,940
Public Safety	8,771,791	8,302,665
Public Works	3,691,812	2,371,446
Public Health	314,611	300,002
Conservation-Recreation	1,161,364	1,355,712
Interest and Fiscal Charges	1,783,361	1,636,212
Total Expenses	<u>22,267,743</u>	<u>20,419,102</u>
Changes in Net Assets	5,000,732	3,632,899
Beginning Net Assets	<u>31,840,624</u>	<u>28,207,725</u>
Ending Net Assets	<u>\$ 36,841,356</u>	<u>\$ 31,840,624</u>

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

---

Table 3 shows the percentage of total expenses each functional area comprises, the net cost of each functional area and the percentage of general revenues used to finance each function for 2011.

**TABLE 3  
ANALYSIS OF PROGRAM EXPENSES  
GOVERNMENTAL ACTIVITIES**

	Percentage of Total Program Expenses	Net Expense of Function	Percentage of General Revenues used to Finance Function
General Government	12.56%	\$ 2,114,657	8.69%
Payment to Schools	16.83%	3,747,902	15.40%
Public Safety	39.39%	7,420,301	30.50%
Public Works	16.58%	3,057,774	12.57%
Public Health	1.41%	90,214	0.37%
Conservation-Recreation	5.22%	1,116,105	4.59%
Interest & Fiscal Charges	8.01%	1,783,361	7.33%
Total	100%	\$ 19,330,314	79.45%

As indicated by Table 3, the Township is spending the majority of its resources (39 percent) on public safety. Public safety includes fire, emergency medical services and police services. Police services are provided by a contract with the Warren County Sheriff's office. Public safety services represent 39 percent of total program expenses and revenues generated by the department cover 15 percent of functional expenses. This means that general revenues collected by the Township, principally property taxes, must cover the remaining 85 percent of those departmental expenses. The amount paid to schools is funded entirely by payments in lieu of taxes. General government functions include legislation, administration and service buildings and comprise 13 percent of the total governmental expenses. Charges for services cover approximately 24 percent of general government program expense. Thus the Township relies on taxes to furnish the quality of life to business and citizens that the current Township Trustees and previous Boards of Trustees have considered a priority.

### **The Township's Funds**

Information about the Township's major governmental funds begins after the Statement of Activities. These funds are reported using the modified accrual basis of accounting. Governmental funds had total revenues of \$28.3 million, expenditures of \$40 million, and net other financing sources of \$15.6 million.

During 2011, the net change in fund balance of the governmental funds increased by \$3.9 million to a total fund balance of \$20.1 million at year end.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

---

While capital assets are included in the statement of net assets, expenditures are recognized in the fund statements thereby reducing the amount of resources available for future spending. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The Township's General Fund realized an increase of \$259,085 in fund balance during 2011. General fund revenues increased in 2011 with increased collections of estate taxes and other intergovernmental revenues. Expenditures for 2011 compared to 2010 increased slightly due to additional general government expenditures. Additionally, the General Fund transferred out more funds in 2011 than in 2010 in order to further reduce the amount of outstanding Township debt.

The General Fund is the primary fund that finances government services to citizens. The Township continues to maintain a General Fund balance reserve in an attempt to provide stability in years in which revenues may not support necessary spending levels. At December 31, 2011, the ending unassigned fund balance of the General Fund was \$2.9 million or 100 percent of the total General Fund expenditures, reported for 2011.

The Police District Fund reported a net increase in fund balance of \$73,680, which is essentially flat compared to 2010. This fund is used to account for the tax levy collected and used to pay the Warren County Sheriff for police protection. Revenues increased in 2011 as Warren County agreed to contract modifications with the Township that resulted in one-time collections of approximately \$600,000. This additional revenue was offset by additional public safety expenditures in 2011.

The Township's Fire and EMS Fund reported a net increase of \$1,309,176. 2011 revenues increased substantially over 2010 revenues as 2011 was the first year of property tax collections on an additional levy that was previously approved by the Township's electorate. Expenditures increased in 2011 as the Township purchased 2 new fire trucks.

The 1998 TIF General Reserve Fund and the 1998 TIF General Revenue Fund account for the receipt of payments in lieu of taxes used for economic development and payment to schools. The Township issued long-term tax increment financing notes that provided for investment in economic development within the Township. A portion of the monies received is returned to the school districts that would have been collected through property taxes. The net decrease in fund balance for the 1998 TIF General Reserve Fund was \$2,507,429. This decrease is due to capital outlay spending and contributions to the Warren County Transportation Improvement District for infrastructure projects located within the Township's TIF districts. The 1998 TIF General Revenue Fund realized a net increase of \$322,397. Both funds are required to keep a minimum balance per the tax increment financing agreement as is reflected in Cash and Cash Equivalents with Fiscal Agent.

The TIF Debt Service Fund accounts for monies transferred in from the 1998 TIF General Revenue and TIF Reserve Funds to make principal and interest payments on the tax increment long-term notes. Principal payments (including the current refunding of certain pieces of Township debt) and interest payments made for the year were \$16,320,000 and \$1,435,297, respectively leaving an ending fund balance of \$69,490.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

---

The Capital Projects Fund reported an ending deficit fund balance of \$5,691,282. The ending fund balance is the result of recording short-term notes in the amount of \$5,680,000. These notes were originally issued for the purchase of a golf course that the Township currently owns and runs as a park.

**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 schedules comparing the Township's original and final budgets and actual results are included in the Required Supplementary Information for the General, Police District, Fire and EMS, 1998 TIF General Reserve and 1998 TIF General Revenue Funds.

Only minor adjustments in budgeted revenues were made to the General Fund during 2011. Appropriations were increased by approximately \$.3 million to allow for additional general government expenditures. Overall, the Township kept within its budgeted expenditures.

General Fund 2011 actual revenues were \$61,632 (1.7 percent) more than the 2011 final budgeted revenues. 2011 revenues were more than 2010 revenues due to an increase in 2011 of property and other local taxes as well as increases in other local government funds distributed to the Township.

Due to the Township's continuing efforts to control expenditures, actual budgetary expenditures came in \$326,824 less than the \$5.2 million included in the final budget for 2011. Any significant variance within the departments was due to efforts in reducing expenditures.

Budgetary fund balance at December 31, 2011, was \$4.8 million compared to the \$4.4 million anticipated in the final 2011 budget.

**Capital Assets**

At the end of fiscal year 2011, the Township had a total of \$50.6 million invested in capital assets less accumulated depreciation of \$8.3 million resulting in total capital assets, net of accumulated depreciation of \$42.3 million.

The Township continued its efforts to upgrade its capital assets during 2011 by purchasing long-term capital assets including 3 police cruisers, 2 fire trucks and various other pieces of equipment.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

---

Table 4 shows 2011 balances compared to those of 2010:

**TABLE 4**  
**CAPITAL ASSETS, NET**

	Governmental Activities	
	<b>2011</b>	<b>2010</b>
Land	\$ 22,553,372	\$ 22,553,372
Construction in Progress	388,757	-
Improvements to Land	2,901,118	3,082,437
Infrastructure	1,365,207	1,403,923
Buildings	11,991,656	13,310,879
Equipment	1,431,699	1,457,697
Vehicles	1,672,550	1,062,423
Total	<u>\$ 42,304,359</u>	<u>\$ 42,870,731</u>

Additional information on the Township's capital assets can be found in Note 5 to the basic financial statements.

**Debt Administration**

At December 31, 2011, the Township had a total of \$27 million of long-term debt obligations compared with \$29.4 million reported at December 31, 2010. Table 5 shows outstanding debt obligations of the Township at December 31, 2011, compared with 2010:

**TABLE 5**  
**OUTSTANDING LONG-TERM DEBT OBLIGATIONS**  
**AT YEAR END**

	Governmental Activities	
	<b>2011</b>	<b>2010</b>
General Obligation Bonds	\$ 4,370,000	\$ 5,010,000
Special Assessment Bonds	560,000	710,000
Tax Increment Long-Term Notes	22,140,000	23,655,000
Total	<u>\$ 27,070,000</u>	<u>\$ 29,375,000</u>

At December 31, 2011, the Township's overall legal debt margin was approximately \$102 million and the unvoted debt margin was approximately \$51 million. See Notes 11, 12 and 13 of the notes to the basic financial statements for more detailed information on the debt obligations and debt activity of the Township.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

---

**Current Issues**

The challenge for all townships is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases, shrinking funding. The Township is located in Warren County, and both the County and the Township are among the fastest growing areas in the State of Ohio. Management believes the Township is well-situated to be economically and financially stable for the foreseeable future.

**Contacting the Township's Finance Department**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Mr. John Wahle, Fiscal Officer, Deerfield Township Administrative Office, 4900 Parkway Drive, Deerfield Township, Ohio, 45040, or visit the Township's website at [www.choosedeerfield.com](http://www.choosedeerfield.com).

**THIS PAGE INTENTIONALLY LEFT BLANK**

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

*Statement of Net Assets*

*December 31, 2011*

	<u>Governmental Activities</u>
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 14,739,129
Receivables:	
Property and Other Taxes	10,210,825
Payment in Lieu of Taxes	6,196,600
Accounts	245,406
Special Assessments	1,148,000
Intergovernmental	1,877,649
Supplies Inventory	128,000
Prepaid Items	52,202
Restricted Assets:	
Cash and Cash Equivalents with Fiscal Agent	14,033,453
Deferred Charges	195,928
Non-Depreciable Capital Assets	22,942,129
Depreciable Capital Assets, Net of Accumulated Depreciation	<u>19,362,230</u>
Total Assets	<u>91,131,551</u>
Liabilities:	
Accounts Payable	1,956,806
Accrued Wages and Benefits Payable	248,108
Accrued Interest Payable	36,806
Note Payable	7,680,000
Unearned Revenue	16,497,300
Accrued Interest Payable from Restricted Assets	101,338
Long-Term Liabilities:	
Due Within One Year	1,451,535
Due In More Than One Year	<u>26,318,302</u>
Total Liabilities	<u>54,290,195</u>
Net Assets:	
Invested In Capital Assets, Net of Related Debt	7,544,544
Restricted For:	
Public Safety	4,578,965
Public Works	2,667,958
Conservation-Recreation	1,216,925
Other Purpose	1,796,123
Debt Service	636,657
Purposes Permitted by TIF Agreement	12,390,671
Unrestricted	<u>6,009,513</u>
Total Net Assets	<u>\$ 36,841,356</u>

See accompanying notes to the basic financial statements.



**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Statement of Activities*  
*For the Year Ended December 31, 2011*

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental Activities
Governmental Activities:					
General Government	\$ 2,796,902	\$ 682,245	\$ -	\$ -	\$ (2,114,657)
Payment to Schools	3,747,902	-	-	-	(3,747,902)
Public Safety	8,771,791	697,007	654,483	-	(7,420,301)
Public Works	3,691,812	29,519	555,945	48,574	(3,057,774)
Public Health	314,611	224,397	-	-	(90,214)
Conservation-Recreation	1,161,364	45,259	-	-	(1,116,105)
Interest and fiscal charges	1,783,361	-	-	-	(1,783,361)
Total Governmental Activities	22,267,743	1,678,427	1,210,428	48,574	(19,330,314)
General Revenues:					
Taxes:					
Property Taxes Levied For:					
					819,818
					1,295,461
					8,597,950
					803,421
					1,509,099
Grants and Entitlements Not Restricted to					
					1,861,080
					10,121,796
					12,421
					(690,000)
Total General Revenues					24,331,046
Changes in Net Assets					5,000,732
Net Assets at Beginning of Year					31,840,624
Net Assets at End of Year					\$ 36,841,356

See accompanying notes to the basic financial statements.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2011*

	Major Governmental Funds							Other	Total
	General	Police District	Fire & EMS	1998 TIF General Reserve	1998 TIF General Revenue	TIF Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Assets:									
Equity in Pooled Cash and Cash Equivalents	\$ 4,887,548	\$ 1,460,417	\$ 3,008,757	\$ -	\$ -	\$ 69,490	\$ -	\$ 5,312,917	\$ 14,739,129
Receivables:									
Property and Other Taxes	723,890	1,875,472	5,671,548	-	-	-	-	1,939,915	10,210,825
Payment in Lieu of Taxes	-	-	-	-	6,196,600	-	-	-	6,196,600
Accounts	118,754	-	126,652	-	-	-	-	-	245,406
Intergovernmental	470,431	780,734	375,400	-	-	-	-	251,084	1,877,649
Special Assessments	-	-	-	-	-	-	-	1,148,000	1,148,000
Due From Other Funds	1,200,000	-	-	-	-	-	-	-	1,200,000
Supplies Inventory	-	-	-	-	-	-	-	128,000	128,000
Prepaid Items	5,932	6,530	19,657	-	-	-	-	20,083	52,202
Restricted Assets:									
Cash and Cash Equivalents with Fiscal Agent	-	-	-	4,078,476	7,815,787	-	-	2,139,190	14,033,453
Total Assets	<u>\$ 7,406,555</u>	<u>\$ 4,123,153</u>	<u>\$ 9,202,014</u>	<u>\$ 4,078,476</u>	<u>\$ 14,012,387</u>	<u>\$ 69,490</u>	<u>\$ -</u>	<u>\$ 10,939,189</u>	<u>\$ 49,831,264</u>
Liabilities:									
Accounts Payable	\$ 182,587	\$ 13,080	\$ 24,298	\$ 1,712,272	\$ -	\$ -	\$ -	\$ 24,569	\$ 1,956,806
Accrued Wages and Benefits Payable	37,939	-	170,143	-	-	-	-	40,026	248,108
Deferred Revenue	1,060,068	2,005,172	6,086,256	-	6,196,600	-	-	3,281,605	18,629,701
Accrued Interest Payable	4,274	-	-	-	-	-	11,282	-	15,556
Due To Other Funds	-	-	1,200,000	-	-	-	-	-	1,200,000
General Obligation Notes Payable	2,000,000	-	-	-	-	-	5,680,000	-	7,680,000
Total Liabilities	<u>3,284,868</u>	<u>2,018,252</u>	<u>7,480,697</u>	<u>1,712,272</u>	<u>6,196,600</u>	<u>-</u>	<u>5,691,282</u>	<u>3,346,200</u>	<u>29,730,171</u>
Fund Balances:									
Nonspendable	1,205,932	6,530	19,657	-	-	-	-	148,083	1,380,202
Restricted	-	2,098,371	1,701,660	2,366,204	7,815,787	69,490	-	7,444,906	21,496,418
Assigned	49,928	-	-	-	-	-	-	-	49,928
Unassigned	2,865,827	-	-	-	-	-	(5,691,282)	-	(2,825,455)
Total Fund Balance	<u>4,121,687</u>	<u>2,104,901</u>	<u>1,721,317</u>	<u>2,366,204</u>	<u>7,815,787</u>	<u>69,490</u>	<u>(5,691,282)</u>	<u>7,592,989</u>	<u>20,101,093</u>
Total Liabilities and Fund Balance	<u>\$ 7,406,555</u>	<u>\$ 4,123,153</u>	<u>\$ 9,202,014</u>	<u>\$ 4,078,476</u>	<u>\$ 14,012,387</u>	<u>\$ 69,490</u>	<u>\$ -</u>	<u>\$ 10,939,189</u>	<u>\$ 49,831,264</u>

See accompanying notes to the basic financial statements.

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

*Reconciliation of Total Governmental Fund Balances to  
Net Assets of Governmental Activities  
December 31, 2011*

Total Governmental Fund Balances	\$ 20,101,093
----------------------------------	---------------

*Amounts reported for governmental activities in the  
statement of net assets are different because:*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	42,304,359
----------------------------------------------------------------------------------------------------------------------------	------------

Other long-term assets are not available to pay for current-period  
expenditures and therefore are deferred in the funds:

Delinquent Property Taxes	345,625
Intergovernmental and Other Revenues	1,170,276
Special Assessments	<u>616,500</u>

Total	2,132,401
-------	-----------

Some liabilities, including long-term debt obligations and compensated  
absences payable, are not due and payable in the current period  
and therefore are not reported in the funds:

Unamortized Issuance Costs	195,928
Premium on Bonds	(569,815)
Accrued Interest Payable	(122,588)
Compensated Absences Payable	(130,022)
Long-term Notes Payable	(22,140,000)
Special Assessments Bonds Payable	(560,000)
General Obligation Bonds Payable	<u>(4,370,000)</u>

Total	<u>(27,696,497)</u>
-------	---------------------

Net Assets of Governmental Activities	<u><u>\$ 36,841,356</u></u>
---------------------------------------	-----------------------------

See accompanying notes to the basic financial statements.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Statement of Revenues, Expenditures and*  
*Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2011*

	Major Governmental Funds							Other	Total
	General	Police District	Fire & EMS	1998 TIF General Reserve	1998 TIF General Revenue	TIF Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Revenues:									
Property and Other Taxes	\$ 1,676,108	\$ 2,156,775	\$ 6,366,498	\$ -	\$ -	\$ -	\$ -	\$ 2,196,763	\$ 12,396,144
Intergovernmental	1,052,751	263,882	757,844	-	-	-	-	513,558	2,588,035
Special Assessments	-	-	-	-	-	-	-	694,109	694,109
Charges for Services	92,101	-	586,272	-	-	-	-	343,175	1,021,548
Licenses, Permits and Fees	532,001	-	-	-	-	-	-	-	532,001
Fines and Forfeitures	46,123	119,374	-	-	-	-	-	-	165,497
Payments in Lieu of Taxes	-	-	-	-	10,121,796	-	-	-	10,121,796
Interest	9,762	-	-	1,063	404	297	-	895	12,421
Other	45,676	651,034	-	47,365	-	-	-	-	744,075
Total Revenues	3,454,522	3,191,065	7,710,614	48,428	10,122,200	297	-	3,748,500	28,275,626
Expenditures:									
Current:									
General Government	2,768,362	-	-	-	-	-	-	-	2,768,362
Payments to Schools	-	-	-	3,747,902	-	-	-	-	3,747,902
Public Safety	-	3,051,903	5,392,896	-	-	-	-	-	8,444,799
Public Works	26,605	-	-	1,000,000	-	-	-	2,055,344	3,081,949
Public Health	32,526	-	-	-	-	-	-	288,486	321,012
Conservation-Recreation	50	-	-	-	-	-	-	637,225	637,275
Capital Outlay	-	65,482	852,656	978,296	-	-	-	4,100	1,900,534
Debt Service:									
Principal Retirement	-	-	-	-	-	16,320,000	-	790,000	17,110,000
Interest and Fiscal Charges	21,234	-	-	3,000	-	1,435,297	120,212	375,366	1,955,109
Note Issuance Cost	10,820	-	-	-	-	-	22,069	-	32,889
Total Expenditures	2,859,597	3,117,385	6,245,552	5,729,198	-	17,755,297	142,281	4,150,521	39,999,831
Excess of Revenues Over (Under)									
Expenditures	594,925	73,680	1,465,062	(5,680,770)	10,122,200	(17,755,000)	(142,281)	(402,021)	(11,724,205)
Other Financing Sources (Uses):									
Sale of Capital Assets	225,000	-	-	-	-	-	-	-	225,000
General Obligation Bonds Issued	-	-	-	-	-	14,805,000	-	-	14,805,000
Bond Premium	-	-	-	-	-	580,988	-	-	580,988
Transfers-In	-	-	-	8,173,341	-	2,438,486	5,153,822	984,411	16,750,060
Transfers-Out	(560,840)	-	(155,886)	(5,000,000)	(9,799,803)	-	(321,507)	(912,024)	(16,750,060)
Total Other Financing Sources (Uses)	(335,840)	-	(155,886)	3,173,341	(9,799,803)	17,824,474	4,832,315	72,387	15,610,988
Net Change in Fund Balance	259,085	73,680	1,309,176	(2,507,429)	322,397	69,474	4,690,034	(329,634)	3,886,783
Fund Balance at Beginning of Year	3,862,602	2,031,221	412,141	4,873,633	7,493,390	16	(10,381,316)	7,922,623	16,214,310
Fund Balance at End of Year	\$ 4,121,687	\$ 2,104,901	\$ 1,721,317	\$ 2,366,204	\$ 7,815,787	\$ 69,490	\$ (5,691,282)	\$ 7,592,989	\$ 20,101,093

See accompanying notes to the basic financial statements.

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

*Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds to  
the Statement of Activities  
For the Year Ended December 31, 2011*

Net Change in Fund Balance - Total Governmental Funds	\$ 3,886,783
-------------------------------------------------------	--------------

*Amounts reported for governmental activities in the statement of activities are different because:*

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Outlay	1,518,977	
Depreciation	(1,170,349)	
Disposal of Capital Assets	<u>(915,000)</u>	
Total		(566,372)

Governmental funds report premiums, discounts, and bond issuance costs as expenditures, whereas these amounts are deferred and amortized in the statement of activities:

Bond Issuance Costs	199,770	
Amortization of Bond Issuance Costs	(3,842)	
Bond Premium on Issue	(580,988)	
Amortization of Bond Premium	<u>11,173</u>	
Total		(373,887)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds:

Issuance of General Obligation Bonds	(14,805,000)	
Bond Principal Retirement	<u>17,110,000</u>	
Total		2,305,000

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, rather these revenues are deferred.	(317,151)
------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.

These activities consist of:

Change in Accrued Interest Payable	(2,464)	
Change in Compensated Absences Payable	<u>68,823</u>	
Total		<u>66,359</u>

Change in Net Assets of Governmental Activities	<u>\$ 5,000,732</u>
-------------------------------------------------	---------------------

See accompanying notes to the basic financial statements.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Statement of Fiduciary Net Assets*  
*Fiduciary Fund*  
*December 31, 2011*

	Private- Purpose Trust
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$          25,749</u>
Total Assets	<u><u>\$          25,749</u></u>
Net Assets	
Net Amounts Held in Trust	<u>\$          25,749</u>
Total Net Assets	<u><u>\$          25,749</u></u>

See accompanying notes to the basic financial statements.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Statement of Changes in Fiduciary Net Assets*  
*Fiduciary Fund*  
*For the Year Ended December 31, 2011*

	Private- Purpose Trust
	<hr/>
Additions:	
Interest	\$ 12
	<hr/>
Total Additions	12
	<hr/>
Deductions:	
Contractual Services	909
	<hr/>
Total Deductions	909
	<hr/>
Change in Net Assets	(897)
Net Assets, Beginning of Year	26,646
	<hr/>
Net Assets, End of Year	\$ 25,749
	<hr/> <hr/>

See accompanying notes to the basic financial statements.

**THIS PAGE INTENTIONALLY LEFT BLANK**



**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

**NOTE 1 – DESCRIPTION OF THE TOWNSHIP AND REPORTING ENTITY:**

Deerfield Township, Warren County, Ohio (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 Trustees are elected for overlapping terms of four years. They have an elected Township Fiscal Officer and a Township Administrator, who is appointed by the Board of Trustees. All department heads report to the Township Administrator.

**Reporting Entity**

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the Township are not misleading. The primary government consists of all funds and departments which provide various services including police and fire protection, recreation, street maintenance and general administrative services.

***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 body 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 financial support to, the organization; or the Township is obligated for the debt of the organization. Component units may also include organizations for which the Township approves the budget, the issuance of debt or the levying of taxes. The Township currently has no component units.

***Related Organization***

The Township is associated with the Deerfield Regional Storm Water District, which is a related organization. The District is presented in Note 19 to the basic financial statements.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The financial statements of the Township have been prepared in conformity with generally accepted accounting principles (GAAP) applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The Township also applies Financial Accounting Standards Board (FASB) guidance issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The most significant of the Township’s accounting policies are described below.

**Basis of Presentation**

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

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

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, except for fiduciary funds.

The statement of net assets presents the financial condition of the governmental activities of the Township at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Township's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by a recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues of the Township, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Township.

Fund Financial Statements

During the year, the Township segregates transactions related to certain Township functions 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. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

Fund Accounting

The Township uses funds 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. There are two categories of funds presented by the Township: governmental and fiduciary.

Governmental Funds

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

General Fund – This fund is the operating fund of the Township and 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.

Police District Fund – This fund receives the tax monies which are used to pay for police protection services.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

Fire and EMS Fund – The Township receives fire levy monies and ambulance fees to be used for the purchase and maintenance of fire equipment and ambulances, and for the payment of salaries and wages of fire fighters and paramedics. This fund is a consolidation of the Fire Special Levy Fund and the Ambulance and EMS Fund for GAAP reporting purposes only. The Township budgets separately for the Fire Special Levy Fund and the Ambulance and EMS Fund.

1998 TIF General Reserve Fund – This fund is used to account for financial resources from the Township's Tax Increment Financing Agreement.

1998 TIF General Revenue Fund – This fund receives all related TIF monies that are transferred to other various TIF funds for payment of capital projects and long-term notes.

TIF Debt Service Fund – This fund is used to account for monies received from payments in lieu of taxes used to make principal and interest payments on the tax increment long-term notes.

Capital Projects Fund – This fund receives transfers and/or proceeds from debt to be used for various capital projects.

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

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held under a trust agreement for individuals, private organizations, or other governments, which are not available to support the Township's own programs. The Township's private-purpose trust fund accounts for principal and income that must be used for specific purposes for the benefit of other individuals and/or other entities.

**Measurement Focus**

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operations of the Township are included on the statement of net assets. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

explanations to better identify the relationship between the government-wide financial statements and the statements for governmental funds.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the Township is sixty days after year end.

Non-exchange transactions, in which the Township receives value without directly giving equal value in return, include property tax, payments in lieu of taxes, grants, entitlements and donations. On an accrual basis, revenue from property tax is recognized in the fiscal year for which the taxes are levied. Revenue from payments in lieu of taxes, grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements and matching requirements. Timing requirements specify the year when the resources are required to be used or the fiscal year when use is first permitted. Matching requirements specify how the Township must provide local resources and expenditure requirements, in which the resources are provided to the Township on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: state-levied locally shared taxes (including local government assistance, gasoline tax and vehicle license tax), EMS charges for services and court fines.

Unearned/Deferred Revenue

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of December 31, 2011, but which were levied to finance 2012 operations, have been recorded as unearned revenues. Grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have been reported as deferred revenue to indicate they are not available to liquidate liabilities of the current period.

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are recorded when the related fund liability is incurred, if measurable. Allocation of costs, such as depreciation and amortization, are not recognized in governmental funds.

Equity in Pooled Cash and Cash Equivalents

To improve cash management, cash received by the Township is pooled. Money for all funds is maintained in this pool. Individual fund integrity is maintained through the Township's records. Each fund's interest in the pooled bank account is presented as "equity in pooled cash and cash equivalents" on the financial statements.

Investments are reported at fair value, which is based on quoted market prices. For investments in open-end mutual funds, fair value is determined by the fund's share price. During the year, the Township's investments included non-negotiable certificates of deposit and money market funds.

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are reported as cash equivalents on the financial statements.

Interest income is distributed to the funds according to ordinance and statutory requirements. Interest revenue reported in the statement of activities for 2011 amounted to \$12,421.

Supplies Inventory

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On the fund financial statements, inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental funds when purchased.

Inventory consists of expendable supplies held for consumption.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2011, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Capital Assets

General capital assets are those not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The Township maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expended. Interest incurred during the construction of capital assets is also capitalized.

All capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Buildings	25-45 years
Infrastructure	25-50 years
Improvements	15-60 years
Equipment	5-15 years
Vehicles	3-10 years

Compensated Absences

Vacation leave accumulated by employees is accrued as a liability as the benefits are earned when both of these conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

A liability for sick leave is accrued based on guidelines set forth in GASB Statement No. 16 *Accounting for Compensated Absences*. The vesting method was implemented and states that the Township will estimate its liability based on sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as specified by the retirement system as well as other employees who are expected to become eligible in the future to receive such payments, determined to be all employees with an age of fifty and ten years of service or more. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the Township's termination policy. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount normally due for payment during the year.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences and contractual required pension obligations that will be paid from the governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment from current and available resources. Bonds and long-term loans are recognized as a liability on the fund financial statements when due.

Classification of Fund Balance

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the Township's fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable - The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

Restricted - Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed - The Township's Board can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Township's Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned - Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by the Township's Board or by state statute.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the Township or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include various grant and other special revenue funds. The Township applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Of the \$23,287,299 of restricted net assets reported at December 31, 2011, none of those net assets were restricted by enabling legislation.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures in the purchaser funds. Flows of cash or goods from one fund to another without requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayment from funds responsible for particular expenditures to funds that initially paid for them are not presented in the financial statements.

Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Budgetary Process

An annual appropriated budget is legally required to be prepared for all funds of the Township. The Board passes appropriations at the fund/department/function/object level. The following are the procedures used by the Township in establishing the budgetary data reported in the financial statements.

Tax Budget

A tax budget of estimated revenues and expenditures for all funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.



**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

Estimated Resources

The County Budget Commission determines if the tax budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the Township by October 1. As part of this certification, the Township receives the official certificate of estimated resources that states the projected revenue of each fund. Prior to December 31, the Township must revise its budget so that the total contemplated expenditures from any fund during the ensuing calendar year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered balances from the preceding year. The certificate of estimated resources can be further amended during the year if the fiscal officer determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported in the budgetary statements as final reflect the amounts in the final amended official certificate of estimated resources issued during 2011.

Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year, for the period January 1 to December 31. The appropriation ordinance may be supplemented during the year by action of the Board, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. During the year, two supplemental appropriation measures were passed. The amounts reported as the original budgeted amounts in the budgetary statements reflect the first appropriated budget that covered the entire year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

Lapsing of Appropriations

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding year and is not re-appropriated.

Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations. On the GAAP basis, encumbrances outstanding at year end are reported as reservations of fund balances for subsequent year expenditures of governmental funds.

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

**NOTE 3 – DEPOSITS AND INVESTMENTS:**

State statutes classify monies held by the Township into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such 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 Board of Trustees has identified as not required for use within the current two year period of designation of depositories. Inactive deposits may be deposited or invested only as certificates of deposit maturing no 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 moneys. Interim moneys 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 may be invested or deposited in the following securities:

- (1) United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- (2) Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality including, but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- (3) Written repurchase agreements in the securities listed above, provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to fair value daily and that the term of the agreement must not exceed thirty days;
- (4) Interim deposits in eligible institutions applying for interim funds;
- (5) Bonds and other obligations of the State of Ohio;
- (6) No-load money market funds consisting exclusively of obligations described in division (1) or (2) of this section, 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 Treasury Assets Reserve of Ohio (STAR Ohio); and
- (8) Certain banker's acceptances and commercial paper notes for a period not to exceed one hundred eighty days from the date of purchase in an amount not to exceed twenty-five percent of interim monies available for investment at any time.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

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 be made only upon delivery of the securities representing the investments to the Fiscal Officer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Township's deposits may not be returned. Protection of the Township's cash and deposits is provided by the Federal Deposit Insurance Corporation as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third parties of the financial institution.

At year end, the carrying amount of the Township's deposits was \$9,688,951 and the bank balance was \$10,372,782. Of the bank balance, \$250,000 was covered by federal deposit insurance. Based on the criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, \$10,122,782 of the Township's bank balance was exposed to custodial risk and was collateralized with securities held by the pledging financial institution's trust department or agent but not in the Township's name.

Investments

At year end, the Township had \$18,858,500 in U.S. Government Money Market Funds (which has no specified maturity) and \$250,880 in a certificate of deposit (maturing in October 2012).

*Interest Rate Risk* – As a means of maximizing interest earnings in conjunction with minimizing fair value losses and maintaining consistent cash availability, the Township's investment portfolio is structured as a five-year ladder. The Township does not have an investment policy other than state statute. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and that the investment must be purchased with the expectation that it will be held to maturity.

*Credit Risk* – The Township's investment in the Money Market Funds and the FHLMC security were rated AAA by Standard & Poor's and Aaa by Moody's Investor Services as of December 31, 2011. State statute only addresses credit risk by limiting the investments that may be purchased to those offered by specifically identified issuers.

*Concentration of Credit Risk* – The Township places no limit on the amount it may be invested in any one issuer. 100% of the Township's investments were in Money Market Funds.

**NOTE 4 – RECEIVABLES:**

Receivables as of December 31, 2011 consisted primarily of property and other taxes, payments in lieu of taxes, intergovernmental receivables arising from entitlements, shared revenues and accounts (billing for EMS services).

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

Property Taxes

Property taxes include amounts levied against all real, public utility and tangible personal property located in the Township. Property tax revenue received during 2011 for real and public utility property taxes represents collections of the 2010 taxes. Property tax payments received during 2011 for tangible personal property (other than public utility property) is for 2011 taxes. 2011 real property taxes are levied after October 1, 2011, on the assessed value as of January 1, 2011, the lien date. Assessed values are established by state law at 35 percent of appraised market value. 2011 real property taxes are collected in and intended to finance 2012.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2011 public utility property taxes became a lien on December 31, 2010, are levied after October 1, 2011, and are collected in 2011 with real property taxes. 2011 tangible personal property taxes are levied after October 1, 2010, on the value as of December 31, 2010. Collections are made in 2011. Tangible personal property assessments are 25 percent of true value for capital assets and 24 percent of true value for inventory.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property currently is assessed at 88 percent of its true value; public utility real property is assessed at 35 percent of true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

The full tax rate for all Township operations for the year ended December 31, 2011 was \$12.60 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2011 property tax receipts were based are as follows:

Real Property Tax Assessed Valuation	\$ 995,169,080
Public Utility Personal Property Assessed Valuation	<u>16,420,540</u>
Total	<u><u>\$ 1,011,589,620</u></u>

Real property taxes are payable semi-annually with the first payment due February 16 and the remainder payable by July 13. Under certain circumstances, State statute permits later payment dates to be established.

Tangible personal property taxes paid 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 30; with the remainder payable by September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including Deerfield Township. The County Auditor periodically remits to the Township its portion of the taxes collected. Accrued property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2011, and for which there is an enforceable legal claim. In the General Fund, Police District Fund and the Fire Special Levy Fund, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2011 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the full accrual basis, collectible delinquent property taxes have been recorded as revenue.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

Intergovernmental Receivables

A summary of the governmental activities intergovernmental receivables follows:

Governmental Activities:

Homestead/Rollback	\$ 679,300
Gasoline Tax	105,708
Local Government	248,828
Motor Vehicle License Fees	18,676
Liquor License Fees	898
Warren County Sherriff's Department	651,034
Estate Tax	<u>173,205</u>
 Total	 <u><u>\$ 1,877,649</u></u>

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 5 – CAPITAL ASSETS:**

Capital asset activity for the year ended December 31, 2011, was as follows:

	Balance 12/31/10	Additions	Deletions	Balance 12/31/11
<i><u>Governmental Activities</u></i>				
Non-Depreciable Capital Assets:				
Land	\$ 22,553,372	\$ -	\$ -	\$ 22,553,372
Construction in Progress	-	388,757	-	388,757
Non-Depreciable Capital Assets:	<u>22,553,372</u>	<u>388,757</u>	<u>-</u>	<u>22,942,129</u>
Depreciable Capital Assets:				
Land Improvements	3,607,800	-	-	3,607,800
Buildings	16,980,023	22,930	(1,200,000)	15,802,953
Equipment	2,432,025	145,064	-	2,577,089
Vehicles	3,448,050	962,226	(165,201)	4,245,075
Infrastructure	1,421,694	-	-	1,421,694
Depreciable Capital Assets:	<u>27,889,592</u>	<u>1,130,220</u>	<u>(1,365,201)</u>	<u>27,654,611</u>
Less: Accumulated Depreciation				
Land Improvements	(525,363)	(181,319)	-	(706,682)
Buildings	(3,669,144)	(427,153)	285,000	(3,811,297)
Equipment	(974,328)	(171,062)	-	(1,145,390)
Vehicles	(2,385,627)	(352,099)	165,201	(2,572,525)
Infrastructure	(17,771)	(38,716)	-	(56,487)
Accumulated Depreciation	<u>(7,572,233)</u>	<u>(1,170,349)</u>	<u>450,201</u>	<u>(8,292,381)</u>
Depreciable Capital Assets, Net	<u>20,317,359</u>	<u>(40,129)</u>	<u>(915,000)</u>	<u>19,362,230</u>
Governmental Activities Capital Assets, Net	<u>\$ 42,870,731</u>	<u>\$ 348,628</u>	<u>\$ (915,000)</u>	<u>\$ 42,304,359</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 58,843
Public Safety	339,787
Public Works	205,152
Public Health	18,656
Conservation-Recreation	547,911
Total Depreciation Expense - Governmental Activities	<u>\$ 1,170,349</u>

**NOTE 6 – DEFINED BENEFIT PENSION PLANS:**

Both the Ohio Police and Firemen's Disability and Pension Fund and the Ohio Public Employees Retirement System are reported using GASB Statement No. 27 *Accounting for Pensions by State and Local Governmental Employers*. Substantially all Township employees are covered by one of the two cost-sharing multiple-employer defined benefit pension plans, namely, the Police and Firemen's Disability and Pension Fund or the Ohio Public Employees Retirement System of Ohio (OPERS). Both funds provide retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

Ohio Public Employees Retirement System

The Township participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, Attention: Finance Director, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-6705 or (800) 222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2011, member and employer contribution rates were consistent across all three plans discussed above. Separate divisions for law enforcement and public safety divisions exist only within the traditional plan. The 2011 member contribution rates were 10% of their annual salary for members in state and local classifications. Public safety and law enforcement members contributed at a rate of 11% and 11.6%, respectively. The Township was required to contribute 14% of covered payroll for employees and 18.10% for employees engaged in law enforcement and public safety. Contributions are authorized by state statute. The contribution rates are determined actuarially. The Township's required contributions to OPERS for the years ended December 31, 2011, 2010 and 2009, were \$230,594, \$244,500, and \$243,445, respectively. The full amount has been contributed for 2009, 2010 and 2011. The Township discontinued paying the employee contributions in 2009.

Ohio Police and Fire Pension Fund

Deerfield Township contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined pension plan. OP&F provides retirement and disability benefits, cost-of-living adjustments, and death benefits to plan member and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164.

Plan members are required to contribute 10.0 percent of their annual covered salary, while employers are required to contribute 24.0 percent for firefighters. The Township's contributions to OP&F for the years ending December 31, 2011, 2010 and 2009, were \$554,054, \$541,227 and \$389,533, respectively. The full amount has been contributed for 2009, 2010 and 2011. The Township discontinued paying the employee contributions in 2009.

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

**NOTE 7 – POSTEMPLOYMENT BENEFITS:**

GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Post-employment Benefits other than Pension*, establishes standards for disclosure information for postemployment benefits other than pension benefits. Both OPERS and OP&F have post-employment benefits that meet the definition as described in GASB Statement 45.

**Ohio Public Employees Retirement System**

The Ohio Public Employees Retirement System (OPERS) maintains a cost-sharing, multiple-employer defined benefit postemployment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, for qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including postemployment health care coverage.

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

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

OPERS issues a stand-alone financial report, that may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4652, or by calling (614) 222-5601 or (800) 222-7377.

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

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, state and local employers contributed at a rate of 14% of covered payroll, and public safety and law enforcement employers contributed at 18.10%. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14% of covered payroll for state and local employer units and 18.1% of covered payroll for law and public safety employer units. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of postemployment health care benefits. For 2011, the employer contribution allocated to the health care plan for members in the traditional plan was 4%. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05%. The OPERS Board of Trustees is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.



**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

Actual employer contributions for 2011, 2010 and 2009 which were used to fund postemployment benefits were \$65,881, \$88,777 and \$104,334, respectively. The actual contribution and the actuarially required contribution amounts are the same. The full amount has been contributed for 2011, 2010 and 2009.

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

Ohio Police and Fire Pension Fund

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

OP&F provides access to postretirement 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 health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of payroll of active pension members, currently 24% of covered payroll for fire employers. The Ohio Revised Code states that the employer contribution may not exceed 24% of covered payroll for fire employer units. 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 administrated as an Internal Service Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2011, the employer contribution allocated to the health care plan was 6.75% 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 Township's actual contributions for 2011, 2010 and 2009 that were used to fund postemployment benefits were \$155,689, \$152,085 and \$109,556, respectively. The full amount has been contributed for 2011, 2010 and 2009.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

The OP&F Board of Trustees is also 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.

**NOTE 8 – OTHER EMPLOYEE BENEFITS:**

**Compensated Absences**

**Accumulated Unpaid Vacation**

Township employees earn vacation leave at varying rates based upon length of service. Employees are required to use their vacation leave during the current year. They are not permitted to carry over into the subsequent year. At termination or retirement, employees are paid at their full rate for 100% of unused vacation leave.

**Accumulated Unpaid Sick Leave**

Township employees earn sick leave at varying rates based upon length of service and when the employee was hired. Upon retirement or death, the employee or his/her beneficiary will be eligible to receive payment for earned sick leave hours accumulated up to a maximum of 480 hours. For fire employees, the maximum accumulation is 576 hours. These accumulated hours will be paid at the employee's current rate of pay at retirement or death.

At December 31, 2011, the Township's accumulated unpaid compensated absences amounted to \$130,022, all of which is recorded as a liability of the Governmental Activities. Historically, compensated absences have been paid from one of, or a combination of, the following funds based on the separating employee's duties: General, Road & Bridge, Cemetery, Park, Fire Special Levy, EMS and Ambulance.

**NOTE 9 – RISK MANAGEMENT:**

The Township is exposed to various risks of injuries to employees. The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation. The Township pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. The rate is calculated based on accident history and administrative costs. The System administers and pays all claims.

The Township is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. 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. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member townships pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

The various types and extent of coverage provided by OTARMA are as follows:

Commercial Property	\$	12,000,000
Ordinance and Law	\$	250,000
Vehicle	\$	250,000 (or actual cost)
Errors and Omissions	\$	500,000
Fidelity and Deposit	\$	50,000

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

There were no significant reductions in insurance coverage during the year in any category of risk. Settled claims have not exceeded insurance coverage in any of the past three years.

**NOTE 10 – INTERGOVERNMENTAL AGREEMENT:**

The Township has entered into an intergovernmental agreement with the Warren County Transportation Improvement District (the District) to assist in providing funding to the District to facilitate the development and implementation of the District's projects within the Township.

The intergovernmental agreement with the District provides for \$1,000,000 of funding from available Township revenue sources (payments in lieu of taxes) for 2011 and \$2,000,000 of funding from available revenue sources in 2012.

The Township's \$1,000,000 payment to the Warren County Transportation Improvement District in 2011 (in accordance with the intergovernmental agreement mentioned above) is reported as a "Public Works" expenditure and expense in the Statement of Revenues, Expenditures and Changes in Fund Balance and Statement of Activities, respectively.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

**NOTE 11 - LONG-TERM OBLIGATIONS:**

The changes in the Township's long-term liabilities for the year ended December 31, 2011, were as follows:

<i>Governmental Activities:</i>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>General Obligation Bonds:</b>					
General Obligation Bonds					
Series 2008 - 4.0% - 5.25%	\$ 5,010,000	\$ -	\$ (640,000)	\$ 4,370,000	\$ 190,000
<b>Special Assessment Bonds:</b>					
Road Improvement Special					
Assessment - 3.78%	360,000	-	(85,000)	275,000	90,000
Road Improvement Special					
Assessment - 3.83%	350,000	-	(65,000)	285,000	65,000
<b>Tax Increment Revenue</b>					
<b>Long-Term Notes:</b>					
Tax Increment Revenue Notes					
Series 2001B - 4.73%	9,680,000	-	(9,680,000)	-	-
Tax Increment Revenue Notes					
Series 1998 - 4.50%	6,340,000	-	(6,340,000)	-	-
Tax Increment Revenue Notes					
Series 2007 - 4.74%	7,635,000	-	(300,000)	7,335,000	315,000
Tax Increment Revenue Notes					
Series 2011 - 3.125% - 5.0%	-	14,805,000	-	14,805,000	745,000
<b>Premium</b>	-	580,988	(11,173)	569,815	-
<b>Compensated Absences</b>	198,845	8,479	(77,302)	130,022	46,535
Total Governmental Activities	<u>\$29,573,845</u>	<u>\$15,394,467</u>	<u>\$ (17,198,475)</u>	<u>\$27,769,837</u>	<u>\$ 1,451,535</u>

The Township's general obligation bonds were issued in 2008 for \$5,200,000 for various purposes including, but not limited to, land acquisition, infrastructure improvements to roads and sewers, and equipment for the fire department. General obligation bonds are direct obligations and pledge the full faith and credit of the Township and are payable from unvoted property tax receipts to the extent that other resources are not available to meet annual principal and interest payments.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

Principal and interest requirements to retire the Township's general obligation bonds as of December 31, 2011, are as follows:

<u>General Obligation Bonds</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 190,000	\$ 230,306	\$ 420,306
2013	195,000	222,706	417,706
2014	195,000	214,906	409,906
2015	205,000	206,131	411,131
2016	210,000	197,111	407,111
2017-2021	1,185,000	831,021	2,016,021
2022-2026	1,490,000	465,463	1,955,463
2027-2028	700,000	60,950	760,950
Total	<u>\$ 4,370,000</u>	<u>\$ 2,428,594</u>	<u>\$ 6,798,594</u>

The Township has two special assessment bond issues that were used to finance road improvements. In 2004, \$670,000 in special assessment bonds was issued and in 2005, \$590,000 special assessment bonds were issued. Both issues will be repaid from amounts levied against the property owners benefited by the improvements. The special assessment bonds are backed by the full faith and credit of the Township. In the event that an assessed property owner fails to make payments, the Township will be required to pay the related debt.

Annual debt service requirements to maturity for the special assessment bonds are as follows:

<u>Special Assessment Bonds</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 155,000	\$ 24,700	\$ 179,700
2013	160,000	18,050	178,050
2014	170,000	10,750	180,750
2015	75,000	3,000	78,000
Total	<u>\$ 560,000</u>	<u>\$ 56,500</u>	<u>\$ 616,500</u>

In prior years, the Township had three separate tax increment long-term notes outstanding. In 2011, two of the three notes (Series 2001B and Series 1998) were currently refunded into a new Series 2011 note.

The tax increment long-term notes have been used to finance the acquisition and improvements of infrastructure including, but not limited to, roads, sewers, land and buildings. Each note will be repaid with payments in lieu of taxes as set forth in the financing agreement.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

Annual debt service requirements to maturity for the tax increment long-term notes are as follows:

<u>Tax Increment Revenue Notes</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 1,060,000	\$ 1,104,606	\$ 2,164,606
2013	1,220,000	941,731	2,161,731
2014	1,280,000	882,356	2,162,356
2015	1,345,000	820,056	2,165,056
2016	1,405,000	754,581	2,159,581
2017-2021	8,080,000	2,730,256	10,810,256
2022-2025	<u>7,750,000</u>	<u>898,525</u>	<u>8,648,525</u>
Total	<u>\$ 22,140,000</u>	<u>\$ 8,132,111</u>	<u>\$ 30,272,111</u>

**NOTE 12 – DEFEASED DEBT:**

In 2011 the Township defeased \$460,000 of its outstanding general obligation bonds by creating a separate irrevocable trust fund with investments (and fixed earnings from the investments) that are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the Township's financial statements. As of December 31, 2011, the amount of defeased debt outstanding was \$445,000.

**NOTE 13 – NOTE PAYABLE:**

During 2011, the Township retired the Series 2010 bond anticipation notes and reissued the notes for \$7,680,000. The original notes were used to purchase a golf course that is currently being used as a park. \$2,000,000 of the notes was issued as reimbursement to the General Fund for improvements to the park in a prior year. Thus at year end, \$2,000,000 and \$5,680,000 of the notes are recorded in the General Fund and Capital Projects Fund, respectively.

A summary of the short-term note transactions for the year ended December 31, 2011, is as follows:

<u>Governmental Activities</u>	<u>Issue Date</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Anticipation Notes					
Series 2010 - 1.625%	11/12/2010	\$12,680,000	\$ -	\$(12,680,000)	\$ -
Bond Anticipation Notes					
Series 2011 - 1.25% - 1.5%	11/3/2011	<u>-</u>	<u>7,680,000</u>	<u>-</u>	<u>7,680,000</u>
Total Governmental Activities					
Notes Payable		<u>\$12,680,000</u>	<u>\$ 7,680,000</u>	<u>\$(12,680,000)</u>	<u>\$ 7,680,000</u>

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

**NOTE 14 – INTERFUND BALANCES AND TRANSFERS:**

Interfund Transfers

Interfund transfers for the year ended December 31, 2011, consisted of the following:

<u>Transfer to Fund</u>	<u>Transfer from Fund</u>	<u>Amount</u>
General Debt Service	General	\$ 173,753
	Park	100,000
	Fire & EMS	155,886
General Debt Service	General	233,265
	Capital Projects	321,507
Capital Projects	General	153,822
Capital Projects	1998 TIF General Reserve	5,000,000
1998 TIF General Reserve	1998 TIF General Revenue	8,173,341
TIF Debt Service	1998 TIF General Revenue	1,626,462
TIF Debt Service	TIF Reserve	<u>812,024</u>
		<u>\$ 16,750,060</u>

Transfers are used to move funds from the fund that statute or budget requires such funds to be received in to the fund that statute or budget requires such funds to be disbursed from. Transfers are also used to move unrestricted funds collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

The General Fund transferred out a total of \$560,840 for debt service. The Capital Projects Fund transferred \$321,507 to the General Debt Service Fund for a portion of debt service. The Park Fund transferred \$100,000 to the General Debt Service Fund for a portion of debt service. The Fire & EMS Fund transferred \$155,886 to the General Debt Service Fund for a portion of debt service. Transfers from the 1998 TIF General Revenue Fund include \$8,173,341 to the 1998 TIF General Reserve Fund for payments to schools and capital outlay and \$1,626,462 to the TIF Debt Service Fund for payment of principal and interest on the long-term notes. The TIF General Reserve Fund transferred \$5,000,000 to the Capital Projects Fund to reduce the balance of the note outstanding. The TIF Reserve Fund transferred \$812,024 to the TIF Debt Service Fund for debt service.

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

Interfund Advances

During 2011, the Fire Special Levy Fund repaid \$300,000 of advances to the General Fund. Thus the Fire Special Levy Fund's interfund payable to the General Fund was reduced from \$1,500,000 at December 31, 2010 to \$1,200,000 at December 31, 2011.

**NOTE 15 – CONTINGENT LIABILITIES:**

Litigation

The Township is a defendant in various lawsuits and subject to various claims over which litigation has not yet commenced. Although the outcomes of these matters is not presently determinable, in the opinion of management and the law director, the resolution of these matters will not have a material adverse effect on the financial condition of the Township.

Federal and State Grants

The Township receives federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the Township believes such disallowance, if any, would be immaterial.

**NOTE 16 – COMPLIANCE AND ACCOUNTABILITY:**

At December 31, 2011, the Capital Projects Fund had a deficit fund balance of \$5,691,282 which is due to recording the notes payable. The General Fund provides transfers to cover fund deficit balances; however, this is done when cash is needed and not when accruals occur.

**NOTE 17 – ADOPTION OF NEW ACCOUNTING PRONOUNCEMENTS:**

In 2011, the Township implemented GASB Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*. The implementation of this statement resulted in the Township's fund balance being divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources.



**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 18 – FUND BALANCE:**

The fund balances for all governmental funds are classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources. The constraints placed on the fund balance for the major governmental funds and all other non-major governmental funds are presented as follows:

	General Fund	Police District	Fire & EMS	1998 TIF General Reserve	1998 TIF General Revenue	TIF Debt Service	Capital Projects	Non-major Governmental Funds	Total Governmental Funds
Nonspendable:									
Prepaid Items	\$ 5,932	\$ 6,530	\$ 19,657	\$ -	\$ -	\$ -	\$ -	\$ 20,083	\$ 52,202
Inventory of Supplies	-	-	-	-	-	-	-	128,000	128,000
Interfund Loans	1,200,000	-	-	-	-	-	-	-	1,200,000
Total Nonspendable	1,205,932	6,530	19,657	-	-	-	-	148,083	1,380,202
Restricted for:									
Public safety	-	2,098,371	1,701,660	-	-	-	-	-	3,800,031
Public Works	-	-	-	-	-	-	-	3,996,289	3,996,289
Debt Service	-	-	-	-	-	-	-	4,601	4,601
Purposes Permitted by TIF Agreement	-	-	-	2,366,204	7,815,787	69,490	-	2,139,190	12,390,671
Conservation- Recreation	-	-	-	-	-	-	-	1,144,061	1,144,061
Public Health	-	-	-	-	-	-	-	131,154	131,154
Other Purposes	-	-	-	-	-	-	-	29,611	29,611
Total Restricted	-	2,098,371	1,701,660	2,366,204	7,815,787	69,490	-	7,444,906	21,496,418
Assigned:									
Other Purposes	49,928	-	-	-	-	-	-	-	49,928
Total Assigned	49,928	-	-	-	-	-	-	-	49,928
Unassigned (Deficit)	2,865,827	-	-	-	-	-	(5,691,282)	-	(2,825,455)
Total Fund Balances	\$ 4,121,687	\$ 2,104,901	\$ 1,721,317	\$ 2,366,204	\$ 7,815,787	\$ 69,490	\$ (5,691,282)	\$ 7,592,989	\$ 20,101,093

**NOTE 19 – RELATED ORGANIZATION:**

The Deerfield Regional Storm Water District is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District was created on October 31, 2003 by the Warren County Court of Common Pleas to provide storm water management services to the residents in the vicinity of Deerfield Township in accordance with the provisions of Ohio Revised Code Section 6119.

Although the Deerfield Township Trustees appoint three Trustees to manage the District, the Township Trustees cannot impose their will on the District; the District is not fiscally dependent on the Township and the District does not represent a potential financial benefit or burden to the Township. Accordingly, the District is being disclosed as a related organization of the Township.

The District issues its own financial statements which can be obtained by writing to the Deerfield Regional Storm Water District, 4900 Parkway Drive, Suite 150, Deerfield Township, OH 45040.

**THIS PAGE INTENTIONALLY LEFT BLANK**

## **REQUIRED SUPPLEMENTARY INFORMATION**

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Local Taxes	\$ 2,074,031	\$ 2,074,031	\$ 2,071,035	\$ (2,996)
Charges for Services	101,805	101,805	102,629	824
Fees, Licenses and Permits	569,395	569,395	570,732	1,337
Fines and Forfeitures	68,332	68,332	46,333	(21,999)
Intergovernmental	573,419	573,419	602,339	28,920
Interest	7,000	7,000	9,762	2,762
Other	268,000	217,892	270,676	52,784
<i>Total Revenues</i>	<u>3,661,982</u>	<u>3,611,874</u>	<u>3,673,506</u>	<u>61,632</u>
<b>Expenditures</b>				
Current				
General Government				
Trustees				
Personal Services	62,000	62,000	61,392	608
Other	13,000	13,000	7,931	5,069
Fiscal				
Personal Services	175,700	177,700	159,610	18,090
Other	143,400	198,475	162,874	35,601
Administrator				
Personal Services	278,220	306,868	289,017	17,851
Other	92,227	148,227	135,348	12,879
Human Resources				
Personal Services	14,585	15,015	11,012	4,003
Public Relations				
Other	141,763	180,755	129,504	51,251
Service Buildings				
Other	333,290	340,519	332,412	8,107
Community Development				
Personal Services	335,933	335,933	302,112	33,821
Other	149,343	123,643	96,561	27,082
Administration				
Other	1,079,825	1,185,571	1,120,491	65,080
Public Works				
Street Lighting				
Other	-	28,300	27,482	818

Continued on next page

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Health				
Cemeteries				
Other	\$ 1,500	\$ 1,500	\$ -	\$ 1,500
Health District				-
Other	35,000	35,000	32,526	2,474
Debt Service				
Principal Retirement	2,000,000	2,000,000	2,000,000	-
Interest and Fiscal Charges	65,000	75,000	32,410	42,590
Other	10,000	10,820	10,820	-
<i>Total Expenditures</i>	<u>4,930,786</u>	<u>5,238,326</u>	<u>4,911,502</u>	<u>326,824</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,268,804)</u>	<u>(1,626,452)</u>	<u>(1,237,996)</u>	<u>388,456</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Notes	714,309	2,009,360	2,010,820	1,460
Advances In	300,000	300,000	300,000	-
Transfers Out	(560,840)	(560,840)	(560,840)	-
<i>Total Other Financing Sources (Uses)</i>	<u>453,469</u>	<u>1,748,520</u>	<u>1,749,980</u>	<u>1,460</u>
<i>Net Change in Fund Balance</i>	<u>(815,335)</u>	<u>122,068</u>	<u>511,984</u>	<u>389,916</u>
<i>Fund Balance at Beginning of Year</i>	<u>4,227,297</u>	<u>4,227,297</u>	<u>4,227,297</u>	<u>-</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>36,625</u>	<u>36,625</u>	<u>36,625</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u><u>\$ 3,448,587</u></u>	<u><u>\$ 4,385,990</u></u>	<u><u>\$ 4,775,906</u></u>	<u><u>\$ 389,916</u></u>

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Police District Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Local Taxes	\$ 2,188,119	\$ 2,164,000	\$ 2,164,412	\$ 412
Intergovernmental	256,309	256,600	256,245	(355)
Other	30,000	119,000	119,374	374
<i>Total Revenues</i>	<u>2,474,428</u>	<u>2,539,600</u>	<u>2,540,031</u>	<u>431</u>
<b>Expenditures</b>				
Current				
Public Safety				
Police				
Other	3,118,219	3,200,018	3,148,372	51,646
<i>Total Expenditures</i>	<u>3,118,219</u>	<u>3,200,018</u>	<u>3,148,372</u>	<u>51,646</u>
<i>Net Change in Fund Balance</i>	(643,791)	(660,418)	(608,341)	52,077
<i>Fund Balance at Beginning of Year</i>	2,020,211	2,020,211	2,020,211	-
<i>Prior Year Encumbrances Appropriated</i>	<u>20,790</u>	<u>20,790</u>	<u>20,790</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 1,397,210</u>	<u>\$ 1,380,583</u>	<u>\$ 1,432,660</u>	<u>\$ 52,077</u>

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP) and Actual  
Fire Special Levy Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Local Taxes	\$ 6,653,913	\$ 6,375,635	\$ 6,378,565	\$ 2,930
Charges for Services	40,000	40,000	37,878	(2,122)
Intergovernmental	742,726	742,726	742,328	(398)
<i>Total Revenues</i>	<u>7,436,639</u>	<u>7,158,361</u>	<u>7,158,771</u>	<u>410</u>
<b>Expenditures</b>				
Current				
Public Safety				
Fire and EMS				
Personal Services	3,607,138	2,774,002	2,687,915	86,087
Other	2,988,060	3,191,122	2,906,541	284,581
Debt Service				
Principal Retirement	-	55,886	-	55,886
<i>Total Expenditures</i>	<u>6,595,198</u>	<u>6,021,010</u>	<u>5,594,456</u>	<u>426,554</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>841,441</u>	<u>1,137,351</u>	<u>1,564,315</u>	<u>426,964</u>
<b>Other Financing Sources (Uses)</b>				
Advances Out	(300,000)	(300,000)	(300,000)	-
Transfers Out	(100,000)	(155,886)	(155,886)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(400,000)</u>	<u>(455,886)</u>	<u>(455,886)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	<u>441,441</u>	<u>681,465</u>	<u>1,108,429</u>	<u>426,964</u>
<i>Fund Balance at Beginning of Year</i>	<u>615,574</u>	<u>615,574</u>	<u>615,574</u>	<u>-</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>786,058</u>	<u>786,058</u>	<u>786,058</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 1,843,073</u>	<u>\$ 2,083,097</u>	<u>\$ 2,510,061</u>	<u>\$ 426,964</u>

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP) and Actual  
Ambulance and EMS Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for Services	\$ 513,679	\$ 451,940	\$ 473,202	\$ 21,262
Intergovernmental	3,449	3,449	3,449	-
<i>Total Revenues</i>	<u>517,128</u>	<u>455,389</u>	<u>476,651</u>	<u>21,262</u>
<b>Expenditures</b>				
Current				
Public Safety				
EMS				
Personal Services	805,136	805,136	805,136	-
Other	27,194	27,194	27,194	-
<i>Total Expenditures</i>	<u>832,330</u>	<u>832,330</u>	<u>832,330</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(315,202)	(376,941)	(355,679)	21,262
<i>Fund Balance at Beginning of Year</i>	<u>735,372</u>	<u>735,372</u>	<u>735,372</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 420,170</u>	<u>\$ 358,431</u>	<u>\$ 379,693</u>	<u>\$ 21,262</u>



**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP) and Actual  
1998 TIF General Reserve Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Interest	\$ 2,215	\$ 2,215	\$ 1,063	\$ (1,152)
Other	302,000	302,000	47,365	(254,635)
<i>Total Revenues</i>	<u>304,215</u>	<u>304,215</u>	<u>48,428</u>	<u>(255,787)</u>
<b>Expenditures</b>				
Current				
Capital Outlay	3,290,000	2,290,000	1,424,384	865,616
Payments to Schools	-	3,287,172	2,318,833	968,339
Miscellaneous	3,290,922	1,003,750	1,003,000	750
<i>Total Expenditures</i>	<u>6,580,922</u>	<u>6,580,922</u>	<u>4,746,217</u>	<u>1,834,705</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(6,276,707)</u>	<u>(6,276,707)</u>	<u>(4,697,789)</u>	<u>1,578,918</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	9,567,753	13,328,131	8,173,341	5,154,790
Transfers Out	-	(5,000,000)	(5,000,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>9,567,753</u>	<u>8,328,131</u>	<u>3,173,341</u>	<u>5,154,790</u>
<i>Net Change in Fund Balance</i>	<u>3,291,046</u>	<u>2,051,424</u>	<u>(1,524,448)</u>	<u>(3,575,872)</u>
<i>Fund Balance at Beginning of Year</i>	<u>4,858,054</u>	<u>4,858,054</u>	<u>4,858,054</u>	<u>-</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>15,579</u>	<u>15,579</u>	<u>15,579</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 8,164,679</u>	<u>\$ 6,925,057</u>	<u>\$ 3,349,185</u>	<u>\$ (3,575,872)</u>

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP) and Actual  
1998 TIF General Revenue Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Payments in Lieu of Taxes	\$ 9,759,327	\$ 10,121,505	\$ 10,121,796	\$ 291
Interest	621	621	404	(217)
<i>Total Revenues</i>	<u>9,759,948</u>	<u>10,122,126</u>	<u>10,122,200</u>	<u>74</u>
<b>Expenditures</b>				
Current				
Debt Service				
Interest and Fiscal Charges	-	-	-	-
<i>Total Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>9,759,948</u>	<u>10,122,126</u>	<u>10,122,200</u>	<u>74</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(9,799,803)	(9,799,803)	(9,799,803)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(9,799,803)</u>	<u>(9,799,803)</u>	<u>(9,799,803)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(39,855)	322,323	322,397	74
<i>Fund Balance at Beginning of Year</i>	<u>7,493,390</u>	<u>7,493,390</u>	<u>7,493,390</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 7,453,535</u>	<u>\$ 7,815,713</u>	<u>\$ 7,815,787</u>	<u>\$ 74</u>

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2011

---

**NOTE A – BUDGETARY BASIS OF ACCOUNTING:**

While the Township is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP) and Actual is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budgetary basis and GAAP basis are as follows:

Revenues are recorded when received in cash (budgetary basis) as opposed to when susceptible to accrual (GAAP basis).

Expenditures are recorded when paid in cash (budgetary basis) as opposed to when the liability is incurred (GAAP basis).

Encumbrances are treated as expenditures on the budgetary basis.

The following summarizes the adjustments necessary to reconcile the GAAP statements and the budgetary basis schedule.

	General	Police District	Fire & EMS*	1998 TIF General Reserve	1998 TIF General Revenue
GAAP Basis	\$ 259,085	\$ 73,680	\$ 1,309,176	\$ (2,507,429)	\$ 322,397
Revenue Accruals	(6,016)	(651,034)	(75,192)	-	-
Expenditure Accruals	70,557	(3,230)	(62,231)	1,712,272	-
Encumbrances	(111,642)	(27,757)	(119,003)	(729,291)	-
Advances	300,000	-	(300,000)	-	-
Budgetary Basis	<u>\$ 511,984</u>	<u>\$ (608,341)</u>	<u>\$ 752,750</u>	<u>\$ (1,524,448)</u>	<u>\$ 322,397</u>

\* The Fire and EMS Fund is a consolidation of the Fire Special Levy Fund and the Ambulance and EMS Fund for GAAP reporting purposes only. The Township budgets separately for the Fire Special Levy Fund and the Ambulance and EMS Fund.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**COMBINING FINANCIAL STATEMENTS AND INDIVIDUAL  
FUND SCHEDULES**

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

To account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditure for specific purposes.

#### Motor Vehicle

To account for the additional motor vehicle license tax levied by Warren County for routine road and maintenance repairs.

#### Gasoline Tax

To account for the gasoline tax fees used for routine maintenance of state highways within the Township.

#### Road and Bridge

To account for property taxes used for routine maintenance of roads and bridges in the Township.

#### Cemetery

To account for monies received for the operation and maintenance of the cemetery.

#### Park

To account for property taxes received and used for maintenance of the Township parks.

#### Permissive Motor Vehicle

To account for permissive taxes received and used for maintenance of roads in the Township.

#### Street Lighting

To account for assessments levied on property owners for the purpose of street lights within the Township.

#### FEMA

To account for the expenditures and subsequent reimbursements from the Federal Emergency Management Agency associated with specific events or occurrences. The Township did not budget this fund during 2011 as no cash activity occurred during the year.

#### Issue II

To account for state funding used in street improvement of the Township. There was no budget adopted for this fund during the year.

#### TIF Reserve

To account for funds held as restricted cash per the tax increment financing agreements.

## **NONMAJOR GOVERNMENTAL FUNDS**

**(Continued)**

### **DEBT SERVICE FUNDS**

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

#### General Debt Service

To account for transfers from other funds for the payment of general obligation bonded debt.

#### Special Assessment Debt Service

To account for special assessments collected for the payment of special assessment bonded debt with governmental commitment.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
<u>Assets:</u>			
Equity in Pooled Cash and Investments	\$ 5,308,316	\$ 4,601	\$ 5,312,917
Receivables:			
Taxes	1,939,915	-	1,939,915
Intergovernmental	251,084	-	251,084
Special Assessments	531,500	616,500	1,148,000
Supplies Inventory	128,000	-	128,000
Prepaid Items	20,083	-	20,083
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	2,139,190	-	2,139,190
Total Assets	<u>\$ 10,318,088</u>	<u>\$ 621,101</u>	<u>\$ 10,939,189</u>
<u>Liabilities and Fund Balances:</u>			
Liabilities:			
Accounts Payable	\$ 24,569	\$ -	\$ 24,569
Accrued Salaries Payable	40,026	-	40,026
Deferred Revenue	2,665,105	616,500	3,281,605
Total Liabilities	<u>2,729,700</u>	<u>616,500</u>	<u>3,346,200</u>
Fund Balances:			
Nonspendable	148,083	-	148,083
Restricted	7,440,305	4,601	7,444,906
Total Fund Balances	<u>7,588,388</u>	<u>4,601</u>	<u>7,592,989</u>
Total Liabilities and Fund Balances	<u>\$ 10,318,088</u>	<u>\$ 621,101</u>	<u>\$ 10,939,189</u>

See accompanying notes to the basic financial statements.



**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended December 31, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Revenues:			
Property and Other Taxes	\$ 2,196,763	\$ -	\$ 2,196,763
Intergovernmental	513,558	-	513,558
Special Assessments	511,945	182,164	694,109
Charges for Services	343,175	-	343,175
Interest	895	-	895
Total Revenues	<u>3,566,336</u>	<u>182,164</u>	<u>3,748,500</u>
Expenditures:			
Current:			
Public Health	288,486	-	288,486
Public Works	2,055,344	-	2,055,344
Conservation-Recreation	637,225	-	637,225
Capital Outlay	4,100	-	4,100
Debt Service:			
Principal Retirement	-	790,000	790,000
Interest and Fiscal Charges	-	375,366	375,366
Total Expenditures	<u>2,985,155</u>	<u>1,165,366</u>	<u>4,150,521</u>
Excess of Revenues Over (Under) Expenditures	<u>581,181</u>	<u>(983,202)</u>	<u>(402,021)</u>
Other Financing Sources (Uses):			
Transfers-In	-	984,411	984,411
Transfers-Out	<u>(912,024)</u>	<u>-</u>	<u>(912,024)</u>
Total Other Financing Sources (Uses)	<u>(912,024)</u>	<u>984,411</u>	<u>72,387</u>
Net Change in Fund Balance	(330,843)	1,209	(329,634)
Fund Balance at Beginning of Year	<u>7,919,231</u>	<u>3,392</u>	<u>7,922,623</u>
Fund Balance at End of Year	<u><u>\$ 7,588,388</u></u>	<u><u>\$ 4,601</u></u>	<u><u>\$ 7,592,989</u></u>

See accompanying notes to the basic financial statements.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2011

	Motor Vehicle	Gasoline Tax	Road and Bridge	Cemetery	Park
Assets:					
Equity in Pooled Cash and Investments	\$ 248,284	\$ 459,122	\$ 1,241,354	\$ 138,813	\$ 1,159,410
Receivables:					
Property and Other Taxes	-	-	1,196,178	-	696,555
Intergovernmental	18,676	105,708	79,500	-	47,200
Special Assessments	-	-	-	-	-
Supplies Inventory	-	-	128,000	-	-
Prepaid Items	-	-	8,045	1,802	10,236
Restricted Assets:					
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-	-
Total Assets	<u>\$ 266,960</u>	<u>\$ 564,830</u>	<u>\$ 2,653,077</u>	<u>\$ 140,615</u>	<u>\$ 1,913,401</u>
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ 571	\$ 571	\$ 3,659
Accrued Wages and Benefits Payable	-	-	21,248	7,088	11,690
Deferred Revenue	12,448	70,393	1,275,678	-	743,755
Total Liabilities	<u>12,448</u>	<u>70,393</u>	<u>1,297,497</u>	<u>7,659</u>	<u>759,104</u>
Fund Balances:					
Nonspendable	-	-	136,045	1,802	10,236
Restricted	254,512	494,437	1,219,535	131,154	1,144,061
Total Fund Balances	<u>254,512</u>	<u>494,437</u>	<u>1,355,580</u>	<u>132,956</u>	<u>1,154,297</u>
Total Liabilities and Fund Balance	<u>\$ 266,960</u>	<u>\$ 564,830</u>	<u>\$ 2,653,077</u>	<u>\$ 140,615</u>	<u>\$ 1,913,401</u>

See accompanying notes to the basic financial statements.

Permissive Motor Vehicle	Street Lighting	FEMA	Issue II	TIF Reserve	Total Nonmajor Special Revenue Funds
\$ 353,607	\$ 1,678,115	\$ 2,500	\$ 27,111	\$ -	\$ 5,308,316
47,182	-	-	-	-	1,939,915
-	-	-	-	-	251,084
-	531,500	-	-	-	531,500
-	-	-	-	-	128,000
-	-	-	-	-	20,083
-	-	-	-	2,139,190	2,139,190
<u>\$ 400,789</u>	<u>\$ 2,209,615</u>	<u>\$ 2,500</u>	<u>\$ 27,111</u>	<u>\$ 2,139,190</u>	<u>\$ 10,318,088</u>
\$ -	\$ 19,768	\$ -	\$ -	\$ -	\$ 24,569
-	-	-	-	-	40,026
<u>31,331</u>	<u>531,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,665,105</u>
<u>31,331</u>	<u>551,268</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,729,700</u>
-	-	-	-	-	148,083
<u>369,458</u>	<u>1,658,347</u>	<u>2,500</u>	<u>27,111</u>	<u>2,139,190</u>	<u>7,440,305</u>
<u>369,458</u>	<u>1,658,347</u>	<u>2,500</u>	<u>27,111</u>	<u>2,139,190</u>	<u>7,588,388</u>
<u>\$ 400,789</u>	<u>\$ 2,209,615</u>	<u>\$ 2,500</u>	<u>\$ 27,111</u>	<u>\$ 2,139,190</u>	<u>\$ 10,318,088</u>

See accompanying notes to the basic financial statements.

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2011

	Motor Vehicle	Gasoline Tax	Road and Bridge	Cemetery	Park
Revenues:					
Property and Other Taxes	\$ -	\$ -	\$ 1,295,470	\$ -	\$ 803,065
Intergovernmental	39,404	216,291	161,598	-	96,265
Special Assessments	-	-	-	-	-
Charges for Services	-	-	73,519	224,397	45,259
Interest	208	208	-	-	-
Total Revenues	<u>39,612</u>	<u>216,499</u>	<u>1,530,587</u>	<u>224,397</u>	<u>944,589</u>
Expenditures:					
Current:					
Public Health	-	-	-	288,486	-
Public Works	-	-	1,769,768	-	-
Conservation-Recreation	-	-	-	-	637,225
Capital Outlay	-	-	-	-	4,100
Total Expenditures	<u>-</u>	<u>-</u>	<u>1,769,768</u>	<u>288,486</u>	<u>641,325</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>39,612</u>	<u>216,499</u>	<u>(239,181)</u>	<u>(64,089)</u>	<u>303,264</u>
Other Financing Sources (Uses):					
Transfers-Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>
Net Change in Fund Balance	39,612	216,499	(239,181)	(64,089)	203,264
Fund Balance at Beginning of Year	<u>214,900</u>	<u>277,938</u>	<u>1,594,761</u>	<u>197,045</u>	<u>951,033</u>
Fund Balance at End of Year	<u>\$ 254,512</u>	<u>\$ 494,437</u>	<u>\$ 1,355,580</u>	<u>\$ 132,956</u>	<u>\$ 1,154,297</u>

See accompanying notes to the basic financial statements.

Permissive Motor Vehicle	Street Lighting	FEMA	Issue II	TIF Reserve	Total Nonmajor Special Revenue Funds
\$ 98,228	\$ -	\$ -	\$ -	\$ -	\$ 2,196,763
-	-	-	-	-	513,558
-	511,945	-	-	-	511,945
-	-	-	-	-	343,175
207	-	-	-	272	895
98,435	511,945	-	-	272	3,566,336
-	-	-	-	-	288,486
-	285,576	-	-	-	2,055,344
-	-	-	-	-	637,225
-	-	-	-	-	4,100
-	285,576	-	-	-	2,985,155
98,435	226,369	-	-	272	581,181
-	-	-	-	(812,024)	(912,024)
-	-	-	-	(812,024)	(912,024)
98,435	226,369	-	-	(811,752)	(330,843)
271,023	1,431,978	2,500	27,111	2,950,942	7,919,231
<u>\$ 369,458</u>	<u>\$ 1,658,347</u>	<u>\$ 2,500</u>	<u>\$ 27,111</u>	<u>\$ 2,139,190</u>	<u>\$ 7,588,388</u>

See accompanying notes to the basic financial statements.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
Combining Balance Sheet  
Nonmajor Debt Service Funds  
December 31, 2011

	General Debt Service	Special Assessment Debt Service	Total Nonmajor Debt Service Funds
Assets:			
Equity in Pooled Cash and Investments	\$ -	\$ 4,601	\$ 4,601
Special Assessments Receivable	-	616,500	616,500
Total Assets	<u>\$ -</u>	<u>\$ 621,101</u>	<u>\$ 621,101</u>
Liabilities:			
Deferred Revenue	\$ -	\$ 616,500	\$ 616,500
Total Liabilities	<u>-</u>	<u>616,500</u>	<u>616,500</u>
Fund Balances:			
Restricted	-	4,601	4,601
Total Fund Balances	<u>-</u>	<u>4,601</u>	<u>4,601</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ 621,101</u>	<u>\$ 621,101</u>

See accompanying notes to the basic financial statements.

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Debt Service Funds  
For the Year Ended December 31, 2011

	General Debt Service	Special Assessment Debt Service	Total Nonmajor Debt Service Funds
Revenues:			
Special Assessments	\$ -	\$ 182,164	\$ 182,164
Total Revenues	<u>-</u>	<u>182,164</u>	<u>182,164</u>
Expenditures:			
Debt Service:			
Principal Retirement	640,000	150,000	790,000
Interest and Fiscal Charges	<u>344,411</u>	<u>30,955</u>	<u>375,366</u>
Total Expenditures	<u>984,411</u>	<u>180,955</u>	<u>1,165,366</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(984,411)</u>	<u>1,209</u>	<u>(983,202)</u>
Other Financing Sources (Uses):			
Transfers-In	<u>984,411</u>	<u>-</u>	<u>984,411</u>
Total Other Financing Sources (Uses)	<u>984,411</u>	<u>-</u>	<u>984,411</u>
Net Change in Fund Balance	-	1,209	1,209
Fund Balance at Beginning of Year	<u>-</u>	<u>3,392</u>	<u>3,392</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 4,601</u>	<u>\$ 4,601</u>

See accompanying notes to the basic financial statements.

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Motor Vehicle Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Local Taxes	\$ 37,903	\$ 35,383	\$ 38,988	\$ 3,605
Interest	726	726	208	(518)
<i>Total Revenues</i>	<u>38,629</u>	<u>36,109</u>	<u>39,196</u>	<u>3,087</u>
<i>Total Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	38,629	36,109	39,196	3,087
<i>Fund Balance at Beginning of Year</i>	<u>209,088</u>	<u>209,088</u>	<u>209,088</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u><u>\$ 247,717</u></u>	<u><u>\$ 245,197</u></u>	<u><u>\$ 248,284</u></u>	<u><u>\$ 3,087</u></u>



**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP) and Actual  
Gasoline Tax Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Local Taxes	\$ 224,721	\$ 200,386	\$ 218,928	\$ 18,542
Interest	726	726	208	(518)
<i>Total Revenues</i>	<u>225,447</u>	<u>201,112</u>	<u>219,136</u>	<u>18,024</u>
<i>Total Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	225,447	201,112	219,136	18,024
<i>Fund Balance at Beginning of Year</i>	<u>239,986</u>	<u>239,986</u>	<u>239,986</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u><u>\$ 465,433</u></u>	<u><u>\$ 441,098</u></u>	<u><u>\$ 459,122</u></u>	<u><u>\$ 18,024</u></u>

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP) and Actual  
Road and Bridge Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Local Taxes	\$ 1,388,233	\$ 1,298,000	\$ 1,299,869	\$ 1,869
Intergovernmental	157,641	157,000	157,199	199
Other	68,000	53,556	73,519	19,963
<i>Total Revenues</i>	<u>1,613,874</u>	<u>1,508,556</u>	<u>1,530,587</u>	<u>22,031</u>
<b>Expenditures</b>				
Current				
Public Works				
Streets				
Personal Services	487,485	487,485	480,333	7,152
Other	1,286,753	1,356,346	1,277,866	78,480
<i>Total Expenditures</i>	<u>1,774,238</u>	<u>1,843,831</u>	<u>1,758,199</u>	<u>85,632</u>
<i>Net Change in Fund Balance</i>	(160,364)	(335,275)	(227,612)	107,663
<i>Fund Balance at Beginning of Year</i>	1,445,681	1,445,681	1,445,681	-
<i>Prior Year Encumbrances Appropriated</i>	<u>7,588</u>	<u>7,588</u>	<u>7,588</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 1,292,905</u>	<u>\$ 1,117,994</u>	<u>\$ 1,225,657</u>	<u>\$ 107,663</u>

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Cemetery Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for Services	\$ 175,268	\$ 216,868	\$ 223,920	\$ 7,052
Other	635	1,129	477	(652)
<i>Total Revenues</i>	<u>175,903</u>	<u>217,997</u>	<u>224,397</u>	<u>6,400</u>
<b>Expenditures</b>				
Current				
Health				
Cemeteries				
Personal Services	121,014	166,014	159,965	6,049
Other	144,828	158,854	139,846	19,008
<i>Total Expenditures</i>	<u>265,842</u>	<u>324,868</u>	<u>299,811</u>	<u>25,057</u>
<i>Net Change in Fund Balance</i>	(89,939)	(106,871)	(75,414)	31,457
<i>Fund Balance at Beginning of Year</i>	206,139	206,139	206,139	-
<i>Prior Year Encumbrances Appropriated</i>	<u>2,809</u>	<u>2,809</u>	<u>2,809</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 119,009</u>	<u>\$ 102,077</u>	<u>\$ 133,534</u>	<u>\$ 31,457</u>

**DEERFIELD TOWNSHIP  
WARREN COUNTY, OHIO**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP) and Actual  
Park Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Local Taxes	\$ 815,258	\$ 804,859	\$ 806,120	\$ 1,261
Charges for Services	14,725	14,725	14,350	(375)
Intergovernmental	93,344	93,344	93,210	(134)
Other	29,430	31,630	30,909	(721)
<i>Total Revenues</i>	<u>952,757</u>	<u>944,558</u>	<u>944,589</u>	<u>31</u>
<b>Expenditures</b>				
Current				
Conservation-Recreation				
Parks				
Personal Services	248,211	258,211	250,056	8,155
Other	520,267	552,519	497,470	55,049
<i>Total Expenditures</i>	<u>768,478</u>	<u>810,730</u>	<u>747,526</u>	<u>63,204</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>184,279</u>	<u>133,828</u>	<u>197,063</u>	<u>63,235</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(100,000)	(100,000)	(100,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	84,279	33,828	97,063	63,235
<i>Fund Balance at Beginning of Year</i>	1,012,319	1,012,319	1,012,319	-
<i>Prior Year Encumbrances Appropriated</i>	<u>21,688</u>	<u>21,688</u>	<u>21,688</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 1,118,286</u>	<u>\$ 1,067,835</u>	<u>\$ 1,131,070</u>	<u>\$ 63,235</u>

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Permissive Motor Vehicle Tax Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Local Taxes	\$ 99,046	\$ 90,626	\$ 98,409	\$ 7,783
<i>Total Revenues</i>	<u>99,046</u>	<u>90,626</u>	<u>98,409</u>	<u>7,783</u>
<i>Total Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	99,046	90,626	98,409	7,783
<i>Fund Balance at Beginning of Year</i>	<u>255,198</u>	<u>255,198</u>	<u>255,198</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u><u>\$ 354,244</u></u>	<u><u>\$ 345,824</u></u>	<u><u>\$ 353,607</u></u>	<u><u>\$ 7,783</u></u>

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Street Lighting Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Special Assessments	\$ 516,440	\$ 511,944	\$ 511,945	\$ 1
<i>Total Revenues</i>	<u>516,440</u>	<u>511,944</u>	<u>511,945</u>	<u>1</u>
<b>Expenditures</b>				
Current				
Public Works				
Lighting				
Other	432,000	432,000	307,294	124,706
<i>Total Expenditures</i>	<u>432,000</u>	<u>432,000</u>	<u>307,294</u>	<u>124,706</u>
<i>Net Change in Fund Balance</i>	84,440	79,944	204,651	124,707
<i>Fund Balance at Beginning of Year</i>	<u>1,444,657</u>	<u>1,444,657</u>	<u>1,444,657</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 1,529,097</u>	<u>\$ 1,524,601</u>	<u>\$ 1,649,308</u>	<u>\$ 124,707</u>

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*TIF Reserve Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Interest	735	735	272	(463)
<i>Total Revenues</i>	735	735	272	(463)
<i>Total Expenditures</i>	-	-	-	-
<i>Excess of Revenues Over (Under) Expenditures</i>	735	735	272	(463)
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	1,526,941	-	(1,526,941)
Transfers Out	(2,339,448)	(2,339,448)	(812,024)	1,527,424
<i>Total Other Financing Sources (Uses)</i>	(2,339,448)	(812,507)	(812,024)	483
<i>Net Change in Fund Balance</i>	(2,338,713)	(811,772)	(811,752)	20
<i>Fund Balance at Beginning of Year</i>	2,950,942	2,950,942	2,950,942	-
<i>Fund Balance at End of Year</i>	<u>\$ 612,229</u>	<u>\$ 2,139,170</u>	<u>\$ 2,139,190</u>	<u>\$ 20</u>

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Debt Service Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
<i>Total Revenues</i>	\$ -	\$ -	\$ -	\$ -
<b>Expenditures</b>				
Current				
Debt Service				
Principal Retirement	195,000	640,000	640,000	-
Interest and Fiscal Charges	261,771	344,411	344,411	-
<i>Total Expenditures</i>	456,771	984,411	984,411	-
<i>Excess of Revenues Over (Under) Expenditures</i>	(456,771)	(984,411)	(984,411)	-
<b>Other Financing Sources (Uses)</b>				
Transfers In	985,658	984,411	984,411	-
<i>Total Other Financing Sources (Uses)</i>	985,658	984,411	984,411	-
<i>Net Change in Fund Balance</i>	528,887	-	-	-
<i>Fund Balance at Beginning of Year</i>	-	-	-	-
<i>Fund Balance at End of Year</i>	\$ 528,887	\$ -	\$ -	\$ -



**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Special Assessment Debt Service Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Special Assessments	\$ 180,987	\$ 182,164	\$ 182,164	\$ -
<i>Total Revenues</i>	<u>180,987</u>	<u>182,164</u>	<u>182,164</u>	<u>-</u>
<b>Expenditures</b>				
Current				
Debt Service				
Principal Retirement	150,000	150,000	150,000	-
Interest and Fiscal Charges	<u>34,379</u>	<u>30,955</u>	<u>30,955</u>	<u>-</u>
<i>Total Expenditures</i>	<u>184,379</u>	<u>180,955</u>	<u>180,955</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(3,392)	1,209	1,209	-
<i>Fund Balance at Beginning of Year</i>	<u>3,392</u>	<u>3,392</u>	<u>3,392</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ -</u>	<u>\$ 4,601</u>	<u>\$ 4,601</u>	<u>\$ -</u>

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*TIF Debt Service Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Interest	\$ 25	\$ 25	\$ 297	\$ 272
<i>Total Revenues</i>	<u>25</u>	<u>25</u>	<u>297</u>	<u>272</u>
<b>Expenditures</b>				
Current				
Capital Outlay	-	-	-	-
Debt Service				
Principal Retirement	1,120,000	16,320,000	16,320,000	-
Interest and Fiscal Charges	<u>1,148,756</u>	<u>1,356,682</u>	<u>1,435,297</u>	<u>(78,615)</u>
<i>Total Expenditures</i>	<u>2,268,756</u>	<u>17,676,682</u>	<u>17,755,297</u>	<u>(78,615)</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,268,731)</u>	<u>(17,676,657)</u>	<u>(17,755,000)</u>	<u>(78,343)</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds From Bonds	-	15,385,988	15,385,988	-
Transfers In	2,268,715	2,360,036	2,438,486	78,450
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Other Financing Sources (Uses)</i>	<u>2,268,715</u>	<u>17,746,024</u>	<u>17,824,474</u>	<u>78,450</u>
<i>Net Change in Fund Balance</i>	(16)	69,367	69,474	107
<i>Fund Balance at Beginning of Year</i>	<u>16</u>	<u>16</u>	<u>16</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ -</u>	<u>\$ 69,383</u>	<u>\$ 69,490</u>	<u>\$ 107</u>

**DEERFIELD TOWNSHIP**  
**WARREN COUNTY, OHIO**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Capital Projects Fund*  
*For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Interest	\$ -	\$ -	\$ -	\$ -
Other	9,386	9,386	-	(9,386)
<i>Total Revenues</i>	9,386	9,386	-	(9,386)
<b>Expenditures</b>				
Current				
Debt Service				
Principal Retirement	10,680,000	10,680,000	10,680,000	-
Interest and Fiscal Charges	112,601	159,755	159,755	-
Other	35,000	22,069	22,069	-
<i>Total Expenditures</i>	10,827,601	10,861,824	10,861,824	-
<i>Excess of Revenues Over (Under) Expenditures</i>	(10,818,215)	(10,852,438)	(10,861,824)	(9,386)
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Notes	10,769,925	10,852,438	5,708,002	(5,144,436)
Transfers In	77,965	77,965	5,153,822	5,075,857
Transfers Out	-	(321,507)	(321,507)	-
<i>Total Other Financing Sources (Uses)</i>	10,847,890	10,608,896	10,540,317	(68,579)
<i>Net Change in Fund Balance</i>	29,675	(243,542)	(321,507)	(77,965)
<i>Fund Balance at Beginning of Year</i>	321,507	321,507	321,507	-
<i>Fund Balance at End of Year</i>	\$ 351,182	\$ 77,965	\$ -	\$ (77,965)



# Statistical Section



**THIS PAGE INTENTIONALLY LEFT BLANK**

## Statistical Section

This part of the Township's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Township's overall financial health.

### **Contents**

### **Page(s)**

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the Township's financial position has changed over time.

84-87

#### **Revenue Capacity**

These schedules contain information to help the reader understand and assess the factors affecting the Township's ability to generate its most significant local revenue source, property tax.

88-93

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the Township's current levels of outstanding debt and the Township's ability to issue additional debt in the future.

94-97

#### **Economic and Demographic Information**

These schedules offer economic and demographic indicators to help the reader understand the environment within which the Township's financial activities take place and to provide information that facilitates comparisons of financial information over time among governments.

98-99

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the Township's financial report related to the services the Township provides and the activities it performs.

100-102

#### **Sources**

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Township implemented GASB Statement No. 34 on a cash basis in 2005; schedules presenting government-wide information begin in that year.

**Deerfield Township**  
**Warren County, Ohio**  
*Net Assets By Component*  
*Last Seven Years (1)*  
*Accrual basis of accounting (2)*

	2011	2010	2009	2008	2007	2006	2005
Governmental Activities							
Invested in Capital Assets, Net of Related Debt	\$ 7,544,544	\$ 1,525,731	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted:							
Other Purposes	10,259,971	8,379,992	2,829,513	18,646,070	17,043,449	14,188,998	11,941,629
Debt Service	636,657	828,316	5,821,639	1,397,746	1,911,625	805,926	1,026,300
Purposes Permitted by TIF Agreement	12,390,671	15,498,096	16,438,750	260,431	543,743	544,667	1,482,254
Unrestricted	6,009,513	5,608,489	3,117,823	4,253,117	6,722,554	8,101,740	6,383,068
<i>Total Governmental Activities Net Assets</i>	<u>\$ 36,841,356</u>	<u>\$ 31,840,624</u>	<u>\$ 28,207,725</u>	<u>\$ 24,557,364</u>	<u>\$ 26,221,371</u>	<u>\$ 23,641,331</u>	<u>\$ 20,833,251</u>

(1) The Township implemented the reporting requirements of GASB Statement No. 34 in 2005 on a cash basis.

(2) The accrual basis of accounting was implemented in 2009.



**Deerfield Township**  
**Warren County, Ohio**  
*Changes in Net Assets*  
*Last Seven Years (1)*  
*(Accrual Basis of Accounting)(2)*

	2011	2010	2009	2008	2007	2006	2005
<b>Program Revenues</b>							
Governmental Activities:							
Charges for Services:							
General Government	\$ 682,245	\$ 594,591	\$ 545,759	\$ 445,605	\$ 912,880	\$ 811,928	\$ 843,880
Public Safety	697,007	797,440	1,377,366	557,714	564,160	474,478	456,099
Public Works	29,519	85,181	186,791	-	-	-	-
Public Health	224,397	175,904	245,695	-	191,431	252,147	167,425
Conservation-Recreation	45,259	45,616	7,590	20,400	26,855	572,087	8,556
Subtotal - Charges for Services	<u>1,678,427</u>	<u>1,698,732</u>	<u>2,363,201</u>	<u>1,023,719</u>	<u>1,695,326</u>	<u>2,110,640</u>	<u>1,475,960</u>
Operating Grants and Contributions:							
General Government	-	-	-	-	-	-	-
Public Safety	654,483	-	1,118,486	-	2,500	15,000	40,465
Public Works	555,945	516,440	-	-	-	-	-
Public Health	-	-	-	112,083	-	-	-
Conservation-Recreation	-	-	-	900	-	-	-
Subtotal - Operating Grants and Contributions	<u>1,210,428</u>	<u>516,440</u>	<u>1,118,486</u>	<u>112,983</u>	<u>2,500</u>	<u>15,000</u>	<u>40,465</u>
Capital Grants and Contributions:							
Public Safety	-	-	-	-	-	198,137	100,206
Public Works	48,574	301,558	6,775	-	-	-	-
Subtotal - Capital Grants and Contributions	<u>48,574</u>	<u>301,558</u>	<u>6,775</u>	<u>-</u>	<u>-</u>	<u>198,137</u>	<u>100,206</u>
<b>Total Governmental Activities Program Revenues</b>	<u>2,937,429</u>	<u>2,516,730</u>	<u>3,488,462</u>	<u>1,136,702</u>	<u>1,697,826</u>	<u>2,323,777</u>	<u>1,616,631</u>
Governmental Activities:							
General Government	2,796,902	2,658,125	3,752,960	5,919,349	4,487,434	3,257,143	2,164,308
Payment to Schools	3,747,902	3,794,940	2,757,915	3,209,671	2,083,925	1,994,975	2,392,272
Public Safety	8,771,791	8,302,665	8,341,722	7,270,355	6,390,822	5,927,124	5,497,718
Public Works	3,691,812	2,371,446	1,715,503	946,781	2,112,060	1,783,400	1,803,545
Public Health	314,611	300,002	302,252	-	-	219,172	205,061
Conservation-Recreation	1,161,364	1,355,712	1,281,088	573,243	479,167	605,989	234,692
Capital Outlay	-	-	-	2,626,876	1,147,721	14,326,236	2,662,435
Debt Service:							
Principal Retirement	-	-	-	17,400,000	25,661,000	18,062,000	7,569,600
Interest and Fiscal Charges	1,783,361	1,636,212	1,767,060	1,873,665	1,902,536	1,819,347	1,382,454
Issuance Costs	-	-	-	185,388	206,553	-	14,188
<b>Total Governmental Activities Expenses</b>	<u>22,267,743</u>	<u>20,419,102</u>	<u>19,918,500</u>	<u>40,005,328</u>	<u>44,471,218</u>	<u>47,995,386</u>	<u>23,926,273</u>
<b>Total Government Activities Net Expense</b>	<u>(19,330,314)</u>	<u>(17,902,372)</u>	<u>(16,430,038)</u>	<u>(38,868,626)</u>	<u>(42,773,392)</u>	<u>(45,671,609)</u>	<u>(22,309,642)</u>
<b>General Revenues and Other Changes in Net Assets</b>							
Governmental Activities							
Taxes:							
Property and Other Local Taxes Levied For:							
General Purposes	819,818	844,381	934,438	10,354,441	15,800,700	15,402,453	11,683,791
Public Works	1,295,461	1,387,517	1,483,433	-	-	-	-
Public Safety	8,597,950	6,133,448	5,962,138	-	-	-	-
Recreation	803,421	720,673	806,794	-	-	-	-
Other Taxes	1,509,099	1,454,393	-	-	-	-	-
Grants and Entitlements not Restricted to							
Specific Programs	1,861,080	1,211,390	2,220,996	2,467,973	3,172,502	3,226,978	3,601,618
Payment in Lieu of Taxes	10,121,796	9,759,328	9,252,914	7,279,022	-	-	-
Bonds Issued	-	-	-	5,200,000	8,770,000	-	640,000
Notes Issued	-	-	-	10,980,000	16,280,000	27,346,000	6,197,000
Investment Income	12,421	24,141	153,538	621,041	1,299,689	1,111,175	572,545
Miscellaneous	(690,000)	-	-	302,142	30,541	1,393,083	611,202
<b>Total Governmental Activities</b>	<u>24,331,046</u>	<u>21,535,271</u>	<u>20,814,251</u>	<u>37,204,619</u>	<u>45,353,432</u>	<u>48,479,689</u>	<u>23,306,156</u>
<b>Total Government Activities Change in Net Assets</b>	<u>\$ 5,000,732</u>	<u>\$ 3,632,899</u>	<u>\$ 4,384,213</u>	<u>\$ (1,664,007)</u>	<u>\$ 2,580,040</u>	<u>\$ 2,808,080</u>	<u>\$ 996,514</u>

(1) The Township implemented the reporting requirements of GASB Statement No. 34 in 2005 on a cash basis.

(2) The accrual basis of accounting was implemented in 2009.

**Deerfield Township**  
**Warren County, Ohio**  
*Fund Balances, Governmental Funds*  
*Last Seven Years (1)*  
*(Modified Accrual Basis of Accounting)(2)*

	2011	2010	2009	2008	2007	2006	2005
<b>General Fund</b>							
Reserved	\$ -	\$ 35,637	\$ 219,597	\$ 234,948	\$ -	\$ -	\$ -
Unreserved	-	3,826,965	3,742,610	4,253,117	6,722,554	8,101,740	6,383,068
Nonspendable	1,205,932	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Assigned	49,928	-	-	-	-	-	-
Unassigned	2,865,827	-	-	-	-	-	-
Total General Fund	4,121,687	3,862,602	3,962,207	4,488,065	6,722,554	8,101,740	6,383,068
<b>All Other Governmental Funds</b>							
Reserved	-	1,030,289	589,961	668,721	-	-	-
Unreserved, Undesignated, Reported in:							
Special Revenue funds	-	21,699,327	20,883,246	17,742,401	17,043,450	14,188,998	11,941,629
Debt Service funds	-	3,408	3,890	1,397,746	1,911,624	805,926	1,026,300
Capital Projects funds	-	(10,381,316)	(10,681,055)	260,431	543,743	544,667	1,482,254
Nonspendable	174,270	-	-	-	-	-	-
Restricted	21,496,418	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	(5,691,282)	-	-	-	-	-	-
Total All Other Governmental Funds	15,979,406	12,351,708	10,796,042	20,069,299	19,498,817	15,539,591	14,450,183
<b>Total Governmental Funds</b>	<u>\$ 20,101,093</u>	<u>\$ 16,214,310</u>	<u>\$ 14,758,249</u>	<u>\$ 24,557,364</u>	<u>\$ 26,221,371</u>	<u>\$ 23,641,331</u>	<u>\$ 20,833,251</u>

(1) The Township implemented the reporting requirements of GASB Statement No. 34 in 2005 on a cash basis.

(2) The accrual basis of accounting was implemented in 2009.

(3) The Township implemented the reporting requirements of GASB Statement No. 54 in 2011.

**Deerfield Township**  
**Warren County, Ohio**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Revenues</b>										
Property and Other Taxes	\$ 12,396,144	\$ 9,905,890	\$ 9,183,471	\$ 9,711,147	\$ 16,673,839	\$ 16,297,169	\$ 12,495,178	\$ 7,592,023	\$ 7,162,643	\$ 6,833,744
Intergovernmental	2,588,035	1,951,775	2,755,394	2,260,299	1,853,719	2,085,511	2,442,862	2,523,167	2,013,695	2,305,186
Special Assessments	694,109	697,428	677,968	643,294	646,760	176,047	90,202	348,570	367,091	361,578
Charges for Services	1,021,548	850,382	1,363,086	1,023,719	1,083,138	1,149,957	1,151,434	346,457	178,228	154,856
Licenses, Permits and Fees	532,001	497,576	89,360	80,630	93,528	830,314	351,590	157,185	80,160	86,367
Fines and Forfeitures	165,497	227,835	88,738	127,044	101,760	137,473	187,368	149,931	99,491	85,120
Payments in Lieu of Taxes	10,121,796	9,759,328	8,651,761	7,279,022	-	-	-	3,557,124	3,354,652	2,636,374
Interest	12,421	32,802	153,538	621,041	1,299,689	1,111,175	572,545	216,898	219,026	235,224
Contributions and Donations	-	309,757	-	-	-	-	-	-	-	-
Other	744,075	-	903,476	415,125	461,626	1,698,292	639,299	807,210	783,527	1,347,110
<i>Total Revenues</i>	<i>28,275,626</i>	<i>24,232,773</i>	<i>23,866,792</i>	<i>22,161,321</i>	<i>22,214,059</i>	<i>23,485,938</i>	<i>17,930,478</i>	<i>15,698,565</i>	<i>14,258,513</i>	<i>14,045,559</i>
<b>Expenditures</b>										
Current:										
General Government	2,768,362	2,666,620	3,440,009	5,919,349	4,487,434	3,257,143	2,164,308	2,092,966	2,164,357	2,562,666
Payments to Schools	3,747,902	3,794,940	2,757,915	3,209,671	2,083,925	1,994,975	2,392,272	548,061	979,227	978,408
Public Safety	8,444,799	7,973,554	7,905,659	7,004,374	6,191,460	5,927,124	5,497,718	5,244,987	4,884,009	4,345,935
Public Works	3,081,949	2,161,346	1,581,513	946,781	2,112,060	1,783,400	1,803,545	1,276,981	907,928	984,256
Public Health	321,012	299,613	284,418	265,981	199,362	219,172	205,061	302,668	244,068	222,348
Conservation-Recreation	637,275	790,637	677,737	573,243	479,167	605,989	234,692	334,163	284,960	320,190
Capital Outlay	1,900,534	2,043,643	3,042,638	2,626,873	1,147,721	14,326,236	2,662,435	4,697,101	9,171,305	1,367,675
Debt Service:										
Principal Retirement	17,110,000	1,405,000	1,170,000	17,400,000	25,661,000	18,062,000	7,569,600	11,540,868	8,952,962	7,280,615
Interest and Fiscal Charges	1,955,109	1,697,645	1,814,184	1,873,665	1,902,536	1,819,347	1,382,454	-	1,360,276	1,240,214
Note Issuance Cost	32,889	43,000	69,214	185,388	206,553	-	14,188	1,271,644	-	-
<i>Total Expenditures</i>	<i>39,999,831</i>	<i>22,875,998</i>	<i>22,743,287</i>	<i>40,005,325</i>	<i>44,471,218</i>	<i>47,995,386</i>	<i>23,926,273</i>	<i>27,309,439</i>	<i>28,949,092</i>	<i>19,302,307</i>
<i>Excess of Revenues Over</i> <i>(Under) Expenditures</i>	<i>(11,724,205)</i>	<i>1,356,775</i>	<i>1,123,505</i>	<i>(17,844,004)</i>	<i>(22,257,159)</i>	<i>(24,509,448)</i>	<i>(5,995,795)</i>	<i>(11,610,874)</i>	<i>(14,690,579)</i>	<i>(5,256,748)</i>
<b>Other Financing Sources (Uses)</b>										
Advances In	-	-	-	-	428,000	-	300,000	400,000	342,000	1,036,000
Advances Out	-	-	-	-	(428,000)	-	(300,000)	(400,000)	(342,000)	(1,036,000)
Sale of Notes	-	-	-	10,980,000	16,280,000	27,346,000	6,197,000	10,809,224	16,036,133	8,360,499
Sale of Bonds	14,805,000	-	-	5,200,000	8,770,000	-	640,000	-	-	-
Sale of Assets	225,000	-	-	-	-	-	435,195	-	370,000	3,842,561
Other Financing Sources	580,988	99,286	106,696	-	-	10,010	15,008	-	-	-
Other Financing Uses	-	-	-	-	(212,801)	(38,482)	(294,894)	-	-	-
Transfers In	16,750,060	9,056,994	10,171,686	11,233,071	33,720,666	4,141,673	6,399,976	4,835,821	4,447,819	3,099,994
Transfers Out	(16,750,060)	(9,056,994)	(10,171,686)	(11,233,071)	(33,720,666)	(4,141,673)	(6,399,976)	(4,835,821)	(4,447,819)	(3,099,994)
<i>Total Other Financing Sources (Uses)</i>	<i>15,610,988</i>	<i>99,286</i>	<i>106,696</i>	<i>16,180,000</i>	<i>24,837,199</i>	<i>27,317,528</i>	<i>6,992,309</i>	<i>10,809,224</i>	<i>16,406,133</i>	<i>12,203,060</i>
<i>Net Change in Fund Balances</i>	<i>\$ 3,886,783</i>	<i>\$ 1,456,061</i>	<i>\$ 1,230,201</i>	<i>\$ (1,664,004)</i>	<i>\$ 2,580,040</i>	<i>\$ 2,808,080</i>	<i>\$ 996,514</i>	<i>\$ (801,650)</i>	<i>\$ 1,715,554</i>	<i>\$ 6,946,312</i>
Debt Service as a Percentage of Noncapital Expenditures	49.54%	14.93%	14.79%	51.56%	63.62%	59.05%	42.10%	51.04%	52.15%	47.51%

**Deerfield Township**  
**Warren County, Ohio**  
*Assessed Valuation and Estimated Actual Values of Taxable Property*  
*Last Ten Years*

Collection Year	Tangible Personal Property			
	Real Property		Public Utility	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2011	\$ 995,169,080	\$ 2,843,340,230	\$ 16,420,540	\$ 18,659,700
2010	991,947,720	2,834,136,343	7,985,970	9,074,966
2009	987,982,310	2,822,806,600	18,122,300	20,593,523
2008	1,055,614,250	3,016,040,714	16,902,170	19,207,011
2007	1,025,580,450	2,930,229,857	16,346,420	18,575,477
2006	977,778,990	2,793,654,257	21,825,800	24,802,045
2005	816,164,800	2,331,899,429	18,067,080	20,530,773
2004	764,842,600	2,185,264,571	17,405,290	19,778,739
2003	716,952,760	2,048,436,457	19,145,340	21,756,068
2002	640,903,550	1,831,153,000	18,495,920	21,018,091

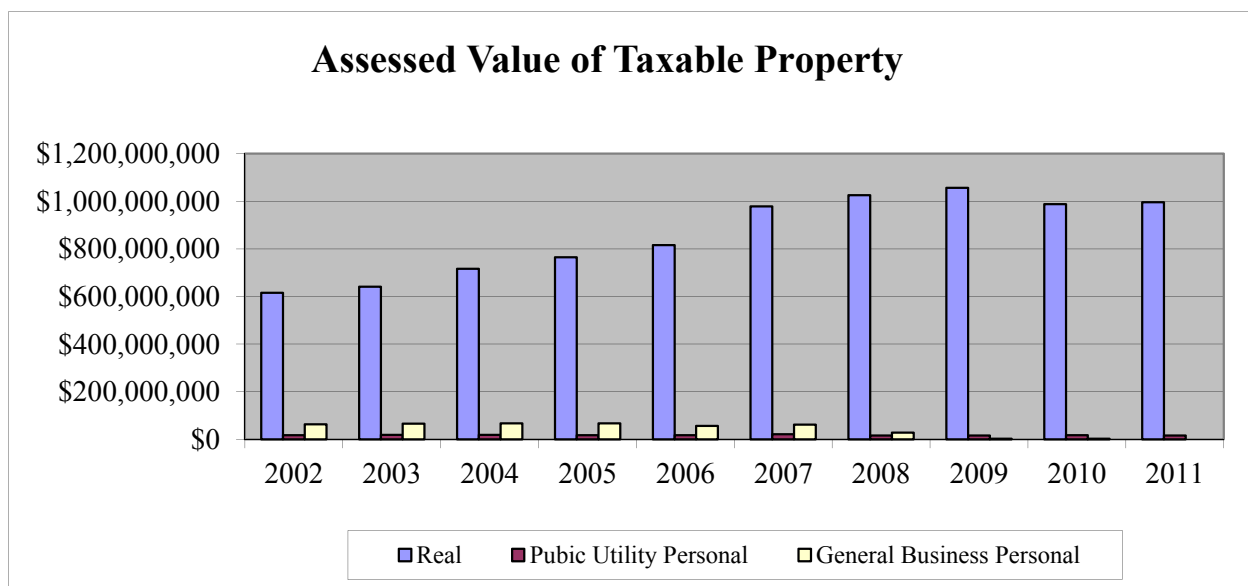
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. For collection year 2006 both types of general business tangible personal property were assessed at 18.75 percent. The percentage will be 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

Source: County Auditor

Tangible Personal Property						
General Business		Total			Total Tax Rate Millage	
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio		
\$ -	\$ -	\$ 1,011,589,620	\$2,861,999,930	35.35%	12.60	
-	-	999,933,690	2,843,211,309	35.17%	12.60	
2,386,730	-	1,008,491,340	2,843,400,123	35.47%	10.60	
2,777,610	44,441,760	1,075,294,030	3,079,689,485	34.92%	10.60	
28,202,985	225,623,880	1,070,129,855	3,174,429,214	33.71%	10.60	
62,471,363	333,180,603	1,062,076,153	3,151,636,905	33.70%	10.60	
57,297,873	229,191,492	891,529,753	2,581,621,694	34.53%	10.60	
67,506,940	270,027,760	849,754,830	2,475,071,070	34.33%	10.60	
67,879,331	271,517,324	803,977,431	2,341,709,849	34.33%	10.60	
65,698,430	262,793,720	725,097,900	2,114,964,811	34.28%	10.60	



**Deerfield Township**  
**Warren County, Ohio**

*Property Tax Rates - Direct and Overlapping Governments*  
*(Per \$1,000 of Assessed Valuation)*  
*Last Ten Years*

	2011	2010	2009
General Fund	0.86	0.86	0.86
Road and Bridge	1.44	1.44	1.44
Police	2.50	2.50	2.50
Fire	6.80	6.80	4.80
Park	1.00	1.00	1.00
<b>Total Millage</b>	<b>12.60</b>	<b>12.60</b>	<b>10.60</b>

**Overlapping Rates by Taxing District**

Mason City School District	83.45	83.45	83.45
City of Mason	7.32	7.32	7.32
Warren County	7.78	5.78	5.78
Warren County Career Center	4.50	2.70	2.70
Special Districts	1.50	1.50	1.50
Mason Public Library	0.75	0.75	-
Great Oaks JVSD	2.70	-	-

Source: County Auditor

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

The real property tax rates for the voted levies of the overlapping taxing districts are reduced so that inflationary increases in value do not generate additional revenue.

2008	2007	2006	2005	2004	2003	2002
0.86	0.86	0.86	0.86	0.86	0.86	0.86
1.44	1.44	1.44	1.44	1.44	1.44	1.44
2.50	2.50	2.50	2.50	2.50	2.50	2.50
4.80	4.80	4.80	4.80	4.80	4.80	4.80
1.00	1.00	1.00	1.00	1.00	1.00	1.00
10.60	10.60	10.60	10.60	10.60	10.60	10.60

83.45	83.45	81.76	80.65	74.11	74.11	72.61
7.32	7.32	7.32	7.32	7.32	7.32	7.32
5.21	6.71	6.71	6.46	6.46	6.53	4.96
2.70	2.70	2.70	2.70	2.70	2.70	2.70
1.50	1.50	1.50	1.50	1.50	1.50	1.50
-	-	-	-	-	-	-
-	-	-	-	-	-	-

**Deerfield Township**  
**Warren County, Ohio**  
*Principal Taxpayers - Real Estate Tax*  
*2011 and 2001*

<i>2011</i>		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Deerfield Realty Holding	\$ 15,889,860	1.570%
Duke Energy Ohio Inc	13,254,770	1.310%
Inland American Loveland	11,812,090	1.170%
Duke Realty Ohio	9,229,480	0.910%
Passco Mallard Crossing	8,727,520	0.860%
Community Insurance Co.	7,676,110	0.760%
Facs Group	7,412,810	0.730%
Kenwood Lincoln Mercury	6,987,920	0.690%
Sterling Lakes Apartments	6,284,240	0.620%
Northeastern Cincinnati Hotel	6,018,640	0.590%
Total	\$ 93,293,440	9.210%
Total Assessed Valuation	\$1,011,589,620	
<i>2001</i>		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Duke Realty Ltd Ptr	\$ 35,060,400	5.040%
Cincinnati Gas & Electric	20,529,440	2.950%
Hills Real Estate Group	9,487,460	1.360%
Meijer Inc	8,419,000	1.210%
Capital Associates Apartments	6,521,630	0.940%
Facs Group	6,166,100	0.890%
Mallard Crossing Ltd	5,589,090	0.800%
Northeast Cincinnati Hotel	5,534,350	0.800%
Costco Wholesale Corp	5,151,480	0.740%
Waterstone Association	4,574,070	0.660%
Total	\$107,033,020	15.390%
Total Assessed Valuation	\$695,919,370	

Source: County Auditor

(1) The amounts presented represent the assessed values upon which 2011 and 2001 collections were based.



**Deerfield Township**  
**Warren County, Ohio**  
*Property Tax Levies And Collections*  
*Last Ten Years*

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
2011	\$ 12,644,315	\$ 12,057,829	95.36%	\$ 193,760	\$ 12,251,589	96.89%	\$ 392,726	3.11%
2010	9,691,972	9,195,469	94.88%	196,168	9,391,637	96.90%	300,396	3.10%
2009	9,396,133	9,240,189	98.34%	225,644	9,396,133	100.00%	289,085	3.08%
2008	9,223,861	9,017,000	97.76%	133,515	9,150,515	99.20%	285,753	3.10%
2007	9,383,698	9,212,620	98.18%	209,539	9,383,698	100.00%	255,647	2.72%
2006	9,053,217	8,888,230	98.18%	205,467	9,053,217	100.00%	264,235	2.92%
2005	8,505,859	8,340,460	98.06%	115,045	8,455,505	99.41%	333,851	3.92%
2004	7,574,026	7,456,059	98.44%	145,740	7,574,026	100.00%	213,843	2.82%
2003	7,104,113	6,984,090	98.31%	211,362	7,104,113	100.00%	197,926	2.79%
2002	6,887,136	6,695,539	97.22%	151,737	6,847,276	99.42%	260,659	3.78%

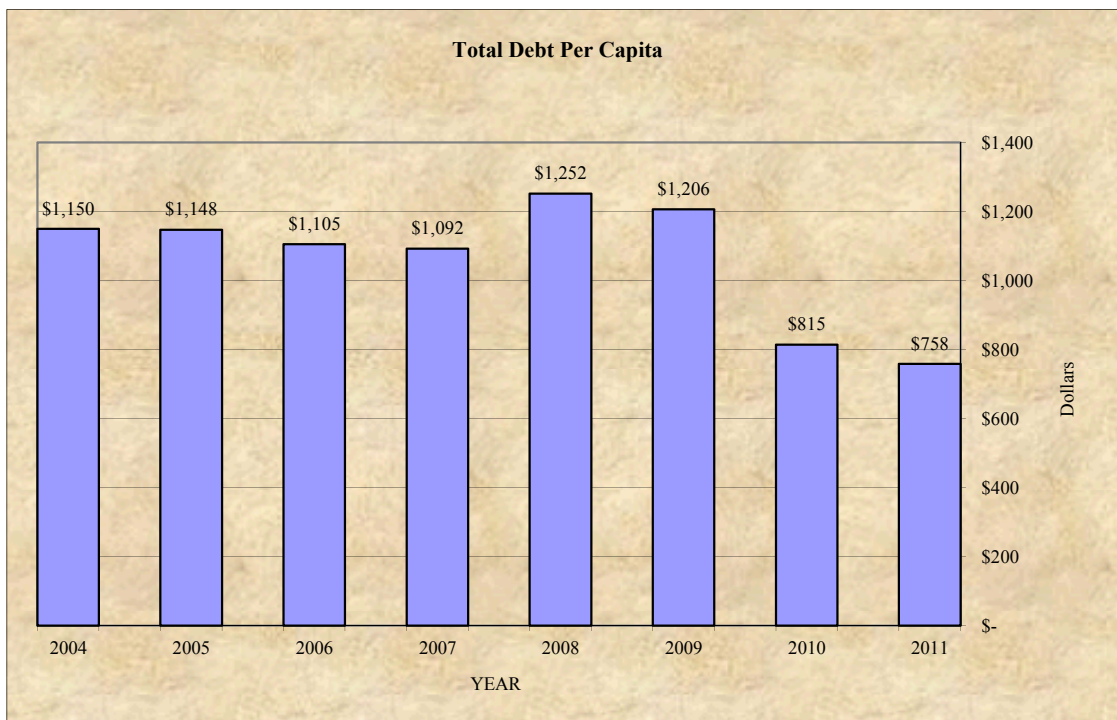
Source: County Auditor

**Deerfield Township**  
**Warren County, Ohio**  
*Ratio of Outstanding Debt to*  
*Total Personal Income and Debt Per Capita*  
*Last Eight Years (1)*

Year	General Obligation Bonds	Special Assessment Bonds	Long-Term Notes	Total Debt	Percentage of Personal Income	Per Capita
2011	\$ 4,370,000	\$ 560,000	\$ 22,140,000	\$ 27,070,000	2.02	\$ 758
2010	5,010,000	710,000	23,655,000	29,375,000	2.19	815
2009	5,200,000	855,000	24,725,000	30,780,000	4.00	1,206
2008	5,200,000	995,000	25,755,000	31,950,000	4.15	1,252
2007	-	1,130,000	26,740,000	27,870,000	3.62	1,092
2006	-	1,260,000	26,935,000	28,195,000	3.66	1,105
2005	-	1,380,000	27,900,000	29,280,000	3.80	1,148
2004	-	800,000	28,545,000	29,345,000	3.81	1,150

Source: Township Fiscal Office

(1) Information prior to 2004 was not available.



**Deerfield Township**  
**Warren County, Ohio**  
*Ratio of General Obligation Bonded Debt to Assessed  
Value and Bonded Debt Per Capita  
Last Four Years(1)*

<u>Year</u>	<u>Population (2)</u>	<u>Estimated Actual Value of Taxable Property (3)</u>	<u>Gross Bonded Debt (4)</u>	<u>Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property</u>	<u>Net Bonded Debt Per Capita</u>
2011	35,701	\$ 2,843,340,230	\$ 4,370,000	0.15 %	122.41
2010	36,059 a	2,843,211,309	5,010,000	0.18 %	138.94
2009	25,515 b	2,843,400,123	5,200,000	0.18 %	203.80
2008	25,515 b	3,016,040,714	5,200,000	0.17 %	203.80

Sources:

(1) No bonded debt prior to 2008

(2) U. S. Bureau of Census, Census of Population.

(a) 2010 Federal Census

(b) 2000 Federal Census

(3) Warren County Auditor

(4) Includes all general obligation bonded debt with the exception  
of Special Assessment debt.

**Deerfield Township**  
**Warren County, Ohio**  
*Computation of Direct and Overlapping Governmental Activities Debt*  
*December 31, 2011*

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to Township (1)	Amount Applicable to Township
<b>Direct Debt</b>			
General Obligation Bonds	\$4,370,000	100%	\$4,370,000
Special Assessment Bonds	560,000	100%	560,000
Long-Term Notes	22,140,000	100%	22,140,000
<i>Total Direct Debt</i>	<u>27,070,000</u>		<u>27,070,000</u>
<b>Overlapping</b>			
Mason City School District	130,668,684	76.0%	99,308,200
Warren County	12,870,172	5.0%	643,509
<i>Total Overlapping Debt</i>	<u>143,538,856</u>		<u>99,951,709</u>
Total	<u><u>\$170,608,856</u></u>		<u><u>\$127,021,709</u></u>

Source: County Auditor

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the Township by its total assessed valuation.

**Deerfield Township**  
**Warren County, Ohio**  
*Legal Debt Margin*  
*Last Ten Years*

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Total Assessed Property Value	<u>\$ 1,011,589,620</u>	<u>\$ 999,933,690</u>	<u>\$ 1,008,491,340</u>	<u>\$ 1,075,294,030</u>	<u>\$ 1,070,129,855</u>	<u>\$1,062,076,153</u>	<u>\$ 891,529,753</u>	<u>\$ 849,754,830</u>	<u>\$ 803,977,431</u>	<u>\$ 725,097,900</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>\$ 106,216,910</u>	<u>\$ 104,993,037</u>	<u>\$ 105,891,591</u>	<u>\$ 112,905,873</u>	<u>\$ 112,363,635</u>	<u>\$ 111,517,996</u>	<u>\$ 93,610,624</u>	<u>\$ 89,224,257</u>	<u>\$ 84,417,630</u>	<u>\$ 76,135,280</u>
Total General Obligation Deb Outstanding	4,370,000	5,010,000	5,200,000	5,200,000	-	-	-	-	-	-
Less:										
General Debt Service Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Net Debt Applicable to Debt Limit	<u>4,370,000</u>	<u>5,010,000</u>	<u>5,200,000</u>	<u>5,200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$ 101,846,910</u>	<u>\$ 99,983,037</u>	<u>\$ 100,691,591</u>	<u>\$ 107,705,873</u>	<u>\$ 112,363,635</u>	<u>\$ 111,517,996</u>	<u>\$ 93,610,624</u>	<u>\$ 89,224,257</u>	<u>\$ 84,417,630</u>	<u>\$ 76,135,280</u>
Legal Debt Margin as a Percentage of the Debt Limit	95.89%	95.23%	95.09%	95.39%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$55,637,429</u>	<u>\$54,996,353</u>	<u>\$55,467,024</u>	<u>\$59,141,172</u>	<u>\$58,857,142</u>	<u>\$58,414,188</u>	<u>\$49,034,136</u>	<u>\$46,736,516</u>	<u>\$44,218,759</u>	<u>\$39,880,385</u>
Total General Obligation Deb Outstanding	4,370,000	5,010,000	5,200,000	5,200,000	-	-	-	-	-	-
Less:										
General Debt Service Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Debt Within 5 ½ % Limitations	<u>4,370,000</u>	<u>5,010,000</u>	<u>5,200,000</u>	<u>5,200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$ 51,267,429</u>	<u>\$ 49,986,353</u>	<u>\$ 50,267,024</u>	<u>\$ 53,941,172</u>	<u>\$ 58,857,142</u>	<u>\$ 58,414,188</u>	<u>\$ 49,034,136</u>	<u>\$ 46,736,516</u>	<u>\$ 44,218,759</u>	<u>\$ 39,880,385</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	92.15%	90.89%	90.63%	91.21%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: County Auditor and Township Financial Records

**Deerfield Township**  
**Warren County, Ohio**  
*Principal Employers*  
Ranked by Number of Full-Time Employees

<b>2011</b>		
Employer	FTEs	Percentage of Total Employed In Warren County
Well Point -Health Insurance	1,945	1.90%
Macy's Credit and Customer Service -Financial Transactions Processing	1,924	1.88%
Cengage Learning Inc. -Educational Support Services	578	0.57%
MedPlus Inc. (a Quest Diagnostics Company) -Computer Systems Design	402	0.39%
Down Lite International -Textile Product Mills	209	0.20%
Clopay Corp. -Plastics Manufacturing	170	0.17%
Natrop's Inc. -Nursery, Greenhouse	102	0.10%

Source: Warren County Office of Economic Development

Note - Comparative data for 2001 is not available. As such, only 2011 data is presented.

**Deerfield Township**  
**Warren County, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Years*

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Warren County Unemployment Rate (3)	Median Value of Residential Property (1)	Total Assessed Property Value (4)
2011	35,701	\$1,294,304,054	\$ 36,254	\$ 80,320	34.8	12,301	11,084	6.20%	\$ 223,600	\$ 1,011,589,620
2010	36,059	1,339,159,142	37,138	84,252	35.8	10,184	9,563	7.60%	227,900	999,933,690
2009	25,515	769,991,670	30,178	71,800	33.4	7,962	9,563	9.60%	164,800	1,008,491,340
2008	25,515	769,991,670	30,178	71,800	33.4	7,962	9,883	5.60%	164,800	1,075,294,030
2007	25,515	769,991,670	30,178	71,800	33.4	7,962	9,940	4.90%	164,800	1,070,129,855
2006	25,515	769,991,670	30,178	71,800	33.4	7,962	9,792	4.50%	164,800	1,062,076,153
2005	25,515	769,991,670	30,178	71,800	33.4	7,962	9,246	4.70%	164,800	891,529,753
2004	25,515	769,991,670	30,178	71,800	33.4	7,962	8,636	4.00%	164,800	849,754,830
2003	25,515	769,991,670	30,178	71,800	33.4	7,962	8,003	4.70%	164,800	803,977,431
2002	25,515	769,991,670	30,178	71,800	33.4	7,962	7,363	4.60%	164,800	725,097,900

(1) Source: U. S. Census Bureau

(2) Source: Mason City School District

(3) Source: Ohio Bureau of Employment Services

(4) Source: County Auditor

(5) Total personal income is the computation of per capita personal income multiplied by population.

**Deerfield Township**  
**Warren County, Ohio**

*Full-Time Equivalent Township Government Employees by Function/Program*  
*Last Five Years (1)*

Function/Program	2011	2010	2009	2008	2007
General Government					
Trustees	3.00	3.00	3.00	3.00	3.00
Fiscal	3.50	3.50	2.50	2.00	2.00
Administration	6.50	9.00	9.00	9.00	9.00
Human Resources	0.50	0.50	0.50	0.50	5.00
Public Relations	0.50	1.00	1.00	1.00	1.00
Public Safety					
Police	25.00	25.00	25.00	25.00	25.00
Fire	60.50	65.50	102.50	78.50	76.50
Fire - Secretary - Other	1.50	1.50	1.50	1.50	1.50
Cemetery	3.00	3.00	3.00	3.00	3.00
Leisure Time Activities					
Parks	4.50	5.00	5.00	5.00	5.00
Public Works	9.00	8.00	8.00	8.00	8.00
Totals:	117.50	125.00	161.00	136.50	139.00

**Source:** Township Fiscal Office

**Method:** Using 1.0 for each full-time employee and 0.50 for each part-time employee at year end. (Seasonal employees were not included).

(1) Information was not practical to obtain prior to 2007.



**Deerfield Township**  
**Warren County, Ohio**  
*Operating Indicators by Function/Program*  
*Last Five Years (1)*

Function	2011	2010	2009	2008	2007
<b>General Government</b>					
<i><b>Board of Trustees</b></i>					
Number of resolutions passed	57	63	96	106	71
Number of zoning docket items	14	5	12	23	9
Zoning Board of Appeals docket items	14	8	7	13	16
<i><b>Fiscal Office</b></i>					
Number of checks/ vouchers issued	1,855	1,911	1,998	2,259	2,045
Amount of checks written	\$9,560,558	\$8,460,956	\$9,154,851	\$11,592,841	\$10,207,105
Interest earnings for fiscal year (cash basis)	\$12,421	\$40,546	\$241,805	\$172,021	\$769,999
Number of receipts issued	1,189	1,213	1,065	877	869
Agency Ratings - Moody's Financial Services	AA2	AA2	AA2	A1	A1
Health insurance costs vs General Fund expenditures %	3.90%	3.31%	5.03%	5.58%	5.58%
General Fund receipts (cash basis in thousands)	\$6,084,326	\$3,073,704	\$5,924,230	\$4,448,082	\$4,184,765
General Fund expenditures (cash basis in thousands)	\$5,460,700	\$4,697,660	\$4,355,767	\$6,869,791	\$5,563,952
General Fund cash balances (in thousands)	\$4,887,548	\$4,263,922	\$5,869,306	\$4,300,843	\$6,722,553
<i><b>Community Development</b></i>					
Number of permits issued	463	432	327	397	620
Revenue generated from permits	\$ 78,562	\$ 56,562	\$ 43,856	\$ 80,630	\$ 93,529
<b>Public Safety</b>					
<i><b>Fire</b></i>					
EMS calls	2,238	2,386	2,288	1,959	2,013
Ambulance billing collections (net)	\$473,202	\$517,129	\$667,919	\$310,312	\$314,400
Fire calls	1,008	1,186	1,120	1,639	1,165
Fires with loss	142	29	26	37	38
Fires with losses exceeding \$10K	9	7	2	9	7
Fire losses \$	\$338,855	\$8,744	\$207,650	\$2,288,550	\$371,304
Fire safety inspections	465	645	367	194	370
<i><b>Cemetery</b></i>					
Cemetery burials	124	137	130	147	124
Cemetery cremations	23	23	9	7	5
Cemetery sale of lots	56	60	170	162	150
Cemetery receipts	\$ 224,397	\$ 179,790	\$ 439,231	\$ 221,590	\$ 191,431
<b>Conservation-Recreation</b>					
<i><b>Parks</b></i>					
Shelter rentals	\$14,725	\$14,725	\$17,218	\$20,400	\$23,950
<b>Public Works</b>					
Road salt applied (tons)	1,900	2,500	1,900	1,600	1,600
Asphalt used for street repairs (tons)	6,967	5,354	6,967	10,486	8,396
Gravel used for street repairs (tons)	180	173	180	121	126
Leaves collected and recycled (cubic yards)	2,300	2,300	2,300	2,300	2,300
Street repair (hours)	10,480	13,800	10,480	13,800	13,800

Source: Township Records

(1) Information was not practical to obtain prior to 2007.

**Deerfield Township**  
**Warren County, Ohio**  
*Capital Assets Statistics by Function/Program*  
*Last Five Years (1)*

Function/Program	2011	2010	2009	2008	2007
<b>General Government</b>					
Square Footage of Building	13,400	13,400	13,400	13,400	13,400
Administrative Vehicles	5	8	8	8	8
<b>Fire</b>					
Stations	3	4	4	4	3
Square Footage of Building	21,283	22,640	22,640	22,640	21,283
Vehicles	25	22	22	22	19
<b>Recreation</b>					
Number of Parks	10	10	10	9	8
Number of Tennis Courts	6	6	6	3	1
Number of Baseball Diamonds	7	7	7	7	5
Number of Tot Lots	4	4	4	3	2
Number of Soccer Fields	8	8	8	6	6
Vehicles	8	8	8	6	4
<b>Public Works</b>					
Streets Maintained (miles)	107	107	105	98	95
Service Vehicles	31	31	30	30	30

Source: Township Records

Note:

(1) Information was not practical to obtain prior to 2007.



# Dave Yost • Auditor of State

DEERFIELD TOWNSHIP

WARREN 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 15, 2012