



**RADNOR TOWNSHIP
DELAWARE COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 - 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**RADNOR TOWNSHIP
DELAWARE COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types For the Year Ended December 31, 2000	3
Statement of Cash Receipts, Cash Disbursements, and Change in Fund Cash Balance – Nonexpendable Trust Fund For the Year Ended December 31, 2000	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types For the Year Ended December 31, 1999	5
Statement of Cash Receipts, Cash Disbursements, and Change in Fund Cash Balances – Nonexpendable Trust Fund For the Year Ended December 31, 1999	6
Notes to the Financial Statements	7
Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	13

THIS PAGE INTENTIONALLY LEFT BLANK



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
2nd Floor
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-729-7199
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Radnor Township
Delaware County
2659 Peel Road
Radnor, Ohio 43066

To the Board of Trustees:

We have audited the accompanying financial statements of Radnor Township, Delaware County, Ohio, (the Township) as of and for the years ended December 31, 2000 and December 31, 1999. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Township as of December 31, 2000 and December 31, 1999, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2001 on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of management, the Board and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

JIM PETRO
Auditor of State

April 24, 2001

THIS PAGE INTENTIONALLY LEFT BLANK

**RADNOR TOWNSHIP
DELAWARE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
Cash Receipts:				
Local Taxes	\$57,378	\$60,803	\$71,046	\$189,227
Intergovernmental	53,984	73,324	8,119	135,427
Charges for Services	4,200	0	0	4,200
Licenses, Permits, and Fees	0	8,275	0	8,275
Earnings on Investments	18,914	19,408	789	39,111
Other Revenue	1,091	9,308	0	10,399
	<u>135,567</u>	<u>171,118</u>	<u>79,954</u>	<u>386,639</u>
Total Cash Receipts				
Cash Disbursements:				
Current:				
General Government	73,503	0	1,264	74,767
Public Safety	0	28,478	0	28,478
Public Works	548	69,379	0	69,927
Health	27,859	8,297	0	36,156
Redemption of Principal	0	11,993	52,000	63,993
Interest and Fiscal Charges	0	4,143	27,180	31,323
Capital Outlay	2,411	170,018	0	172,429
	<u>104,321</u>	<u>292,308</u>	<u>80,444</u>	<u>477,073</u>
Total Cash Disbursements				
Total Receipts Over/(Under) Disbursements	<u>31,246</u>	<u>(121,190)</u>	<u>(490)</u>	<u>(90,434)</u>
Other Financing Receipts/(Disbursements):				
Proceeds of Notes	<u>0</u>	<u>93,000</u>	<u>0</u>	<u>93,000</u>
Total Other Financing Receipts/(Disbursements)	<u>0</u>	<u>93,000</u>	<u>0</u>	<u>93,000</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	31,246	(28,190)	(490)	2,566
Fund Cash Balances, January 1	<u>240,865</u>	<u>413,146</u>	<u>1,189</u>	<u>655,200</u>
Fund Cash Balances, December 31	<u>\$272,111</u>	<u>\$384,956</u>	<u>\$699</u>	<u>\$657,766</u>

The notes to the financial statements are an integral part of this statement.

**RADNOR TOWNSHIP
DELAWARE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGE IN FUND CASH BALANCE
NONEXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Fiduciary Fund Type Nonexpendable Trust</u>
Operating Cash Receipts:	
Earnings on Investments	\$24
Total Operating Cash Receipts	<u>24</u>
Operating Cash Disbursements:	
Supplies and Materials	25
Total Operating Cash Disbursements	<u>25</u>
Operating Income (Loss)	(1)
Fund Cash Balances, January 1	<u>829</u>
Fund Cash Balances, December 31	<u><u>\$828</u></u>

The notes to the financial statements are an integral part of this statement.

**RADNOR TOWNSHIP
DELAWARE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
Cash Receipts:					
Local Taxes	\$43,896	\$52,675	\$54,431	\$0	\$151,002
Intergovernmental	59,176	72,941	6,375	0	138,492
Charges for Services	4,400	0	0	0	4,400
Licenses, Permits, and Fees	0	6,700	0	0	6,700
Earnings on Investments	16,008	14,232	324	0	30,564
Other Revenue	842	4,152	0	0	4,994
	<u>124,322</u>	<u>150,700</u>	<u>61,130</u>	<u>0</u>	<u>336,152</u>
Total Cash Receipts					
	124,322	150,700	61,130	0	336,152
Cash Disbursements:					
Current:					
General Government	73,724	0	882	0	74,606
Public Safety	0	29,633	0	0	29,633
Public Works	488	34,252	0	0	34,740
Health	16,460	10,747	0	0	27,207
Redemption of Principal	0	0	30,000	0	30,000
Interest and Fiscal Charges	0	0	29,280	0	29,280
Capital Outlay	2,750	11,536	0	4,986	19,272
	<u>93,422</u>	<u>86,168</u>	<u>60,162</u>	<u>4,986</u>	<u>244,738</u>
Total Cash Disbursements					
	93,422	86,168	60,162	4,986	244,738
Total Receipts Over/(Under) Disbursements	30,900	64,532	968	(4,986)	91,414
Fund Cash Balances, January 1	209,965	348,614	221	4,986	563,786
Fund Cash Balances, December 31	<u><u>\$240,865</u></u>	<u><u>\$413,146</u></u>	<u><u>\$1,189</u></u>	<u><u>\$0</u></u>	<u><u>\$655,200</u></u>

The notes to the financial statements are an integral part of this statement.

**RADNOR TOWNSHIP
DELAWARE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE
NONEXPENDABLE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Fiduciary Fund Type Nonexpendable Trust</u>
Operating Cash Receipts:	
Earnings on Investments	\$25
Total Operating Cash Receipts	<u>25</u>
Operating Cash Disbursements:	
Supplies and Materials	28
Total Operating Cash Disbursements	<u>28</u>
Operating Income (Loss)	(3)
Fund Cash Balances, January 1	<u>832</u>
Fund Cash Balances, December 31	<u><u>\$829</u></u>

The notes to the financial statements are an integral part of this statement.

**RADNOR TOWNSHIP
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Radnor Township, Delaware County, Ohio, (the Township) 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 Township is directed by a publicly-elected three-member Board of Trustees. The Township provides general governmental services , including road and bridge maintenance, cemetery maintenance, and fire protection..

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

Certificates of deposit are valued at cost. The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts and disbursements respectively.

D. Fund Accounting

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

Gasoline Tax Fund - This fund receives gasoline tax money to pay for constructing, maintaining and repairing Township roads.

**RADNOR TOWNSHIP
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

Special Revenue Funds (Continued)

Special Levy Fund - This fund receives a special allocation of property taxes to be used for fire protection.

Debt Service Fund

The debt service fund is used to accumulate resources for the payment of bond indebtedness.

Fiduciary Funds (Trust and Agency Funds)

These funds are used to account for resources restricted by legally binding trust agreements and funds for which the Township is acting in an agency capacity. The Township had the following significant fiduciary fund:

Cemetery Bequest Fund (Non-Expendable Trust) - Investment earnings are used to ensure the cemetery is adequately maintained.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function and object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must also approve estimated resources.

Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

**RADNOR TOWNSHIP
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Township maintains a cash and investments pool used by all funds except the non-expendable trust fund. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	\$83,080	\$53,539
Certificates of deposit	50,000	50,000
STAR Ohio	<u>525,514</u>	<u>552,490</u>
Total deposits and investments	<u><u>\$658,594</u></u>	<u><u>\$656,029</u></u>

Deposits: Deposits are either insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

Investments: Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$133,584	\$135,567	\$1,983
Special Revenue	254,491	264,118	9,627
Debt Service	77,229	79,954	2,725
Nonexpendable Trust	<u>29</u>	<u>24</u>	<u>(5)</u>
Total	<u><u>\$465,333</u></u>	<u><u>\$479,663</u></u>	<u><u>\$14,330</u></u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$374,450	\$104,321	\$270,129
Special Revenue	667,634	292,308	375,326
Debt Service	80,834	80,444	390
Nonexpendable Trust	<u>26</u>	<u>25</u>	<u>1</u>
Total	<u><u>\$1,122,944</u></u>	<u><u>\$477,098</u></u>	<u><u>\$645,846</u></u>

**RADNOR TOWNSHIP
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$110,051	\$124,322	\$14,271
Special Revenue	158,555	150,700	(7,855)
Debt Service	65,786	61,130	(4,656)
Nonexpendable Trust	28	25	(3)
Total	\$334,420	\$336,177	\$1,757

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$320,000	\$93,422	\$226,578
Special Revenue	507,089	86,168	420,921
Debt Service	66,005	60,162	5,843
Capital Projects	4,986	4,986	0
Nonexpendable Trust	29	28	1
Total	\$898,109	\$244,766	\$653,343

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the Township.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

**RADNOR TOWNSHIP
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

5. DEBT

Debt outstanding at December 31, 2000 was as follows:

	Principal	Interest Rate
General Obligation Bonds	\$414,000	6%
Promissory Note	81,007	6%
Total	\$495,007	

On October 9, 1996, general obligation bonds were issued in the amount of \$525,000 to finance the construction of a building for Township purposes, including a fire station and community center. The bonds are collateralized solely by the Township's taxing authority. On February 3, 2000, a promissory note was issued in the amount of \$93,000 to finance the purchase of a new fire truck. The note is secured by the new fire truck.

Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31:	Promissory Note	General Obligation Bonds
2001	\$16,136	\$49,840
2002	16,136	51,340
2003	16,136	52,660
2004	16,136	54,800
2005	16,136	56,700
Subsequent	16,136	306,760
Total	\$96,816	\$572,100

6. RETIREMENT SYSTEMS

The Township's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. The plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries in 1999 and 10.84% in 2000. The Township has paid all contributions required through December 31, 2000.

**RADNOR TOWNSHIP
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

7. RISK MANAGEMENT

The Township is a member of the Ohio Township Association Risk Management Authority Risk Pool (The Pool). The Pool assumes the risk of loss up to the limits of the Township's policy. The Pool may assess supplemental premiums. The following risks are covered by the Pool:

- Comprehensive property and general liability
- Vehicles
- Errors and Omissions



**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED
BY GOVERNMENT AUDITING STANDARDS**

Radnor Township
Delaware County
2659 Peel Road
Radnor, Ohio 43066

To the Board of Trustees:

We have audited the accompanying financial statements of Radnor Township, Delaware County, Ohio (the Township), as of and for the years ended December 31, 2000 and December 31, 1999, and have issued our report thereon dated April 24, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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 grants, noncompliance with which could have a direct and material effect on 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Township in a separate letter dated April 24, 2001.

Radnor Township
Delaware County
Report on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

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

JIM PETRO
Auditor of State

April 24, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

RADNOR TOWNSHIP

DELAWARE 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
MAY 15, 2001**