



**Auditor of State
Betty Montgomery**

CONCORD TOWNSHIP
DELAWARE COUNTY

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Concord Township
Delaware County
7250 Dublin Road
Delaware, Ohio 43015

To the Board of Trustees:

We have audited the accompanying financial statements of Concord Township, Delaware County, Ohio (the Township) as of and for the years ended December 31, 2002 and December 31, 2001. 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 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 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 and reserves for encumbrances of the Township as of December 31, 2002 and December 31, 2001, 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 March 10, 2003 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. That 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 of Trustees 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.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

BETTY MONTGOMERY
Auditor of State

March 10, 2003

**CONCORD 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, 2002**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
Cash Receipts:				
Local Taxes	\$332,348	\$1,088,996	\$0	\$1,421,344
Intergovernmental	296,504	216,054	0	512,558
Sale of Lots	0	5,600	0	5,600
Charges for Services	0	50,500	0	50,500
Licenses, Permits, and Fees	98,609	2,500	0	101,109
Earnings on Investments	19,647	515	0	20,162
Other Receipts	865	26,753	0	27,618
	<u>747,973</u>	<u>1,390,918</u>	<u>0</u>	<u>2,138,891</u>
Total Cash Receipts				
Cash Disbursements:				
Current:				
General Government	303,088	0	0	303,088
Public Safety	18,512	1,090,925	0	1,109,437
Public Works	15,715	277,704	0	293,419
Health	0	13,790	0	13,790
Conservation- Recreation	65,585	0	0	65,585
Capital Outlay	0	3,278	0	3,278
Debt Service- Note principal payment	0	0	31,777	31,777
Debt Service- interest and fiscal charges	0	0	11,840	11,840
	<u>402,900</u>	<u>1,385,697</u>	<u>43,617</u>	<u>1,832,214</u>
Total Cash Disbursements				
Total Cash Receipts Over/(Under) Cash Disbursements	<u>345,073</u>	<u>5,221</u>	<u>(43,617)</u>	<u>306,677</u>
Other Financing Receipts and (Disbursements):				
Advance In	66,500	66,500	0	133,000
Advance out	(66,500)	(66,500)	0	(133,000)
Transfer in	0	0	43,599	43,599
Transfer out	(43,599)	0	0	(43,599)
Other Sources	4,895	0	0	4,895
	<u>(38,704)</u>	<u>0</u>	<u>43,599</u>	<u>4,895</u>
Total Other Financing Receipts/(Disbursements)				
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	306,369	5,221	(18)	311,572
Fund Cash Balances, January 1, 2002	<u>610,847</u>	<u>271,301</u>	<u>18</u>	<u>882,166</u>
Fund Cash Balances, December 31, 2002	<u>\$917,216</u>	<u>\$276,522</u>	<u>\$0</u>	<u>\$1,193,738</u>
Reserve for Encumbrances, December 31, 2002	<u>\$36,319</u>	<u>\$28,940</u>	<u>\$0</u>	<u>\$65,259</u>

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

**CONCORD 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, 2001**

	<u>Governmental Fund Types</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	
Cash Receipts:				
Local Taxes	\$275,614	\$935,263	\$0	\$1,210,877
Intergovernmental	129,786	187,503	0	317,289
Sale of Lots	0	20,750	0	20,750
Charges for Services	0	50,500	0	50,500
Licenses, Permits, and Fees	85,568	2,500	0	88,068
Earnings on Investments	33,341	1,127	0	34,468
Other Receipts	<u>27,824</u>	<u>20,967</u>	<u>0</u>	<u>48,791</u>
Total Cash Receipts	<u>552,133</u>	<u>1,218,610</u>	<u>0</u>	<u>1,770,743</u>
Cash Disbursements:				
Current:				
General Government	360,068	0	0	360,068
Public Safety	0	1,015,743	0	1,015,743
Public Works	30,694	202,493	0	233,187
Health	109	13,868	0	13,977
Conservation- Recreation	11,152	0	0	11,152
Capital Outlay	0	908	0	908
Debt Service- Note principal payment	0	0	31,777	31,777
Debt Service- interest and fiscal charges	<u>0</u>	<u>0</u>	<u>13,513</u>	<u>13,513</u>
Total Cash Disbursements	<u>402,023</u>	<u>1,233,012</u>	<u>45,290</u>	<u>1,680,325</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>150,110</u>	<u>(14,402)</u>	<u>(45,290)</u>	<u>90,418</u>
Other Financing Receipts and (Disbursements):				
Transfer in	0	0	44,492	44,492
Transfer out	(44,492)	0	0	(44,492)
Other Sources	<u>14,049</u>	<u>0</u>	<u>0</u>	<u>14,049</u>
Total Other Financing Receipts/(Disbursements)	<u>(30,443)</u>	<u>0</u>	<u>44,492</u>	<u>14,049</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	119,667	(14,402)	(798)	104,467
Fund Cash Balances, January 1, 2001	<u>491,180</u>	<u>285,703</u>	<u>816</u>	<u>777,699</u>
Fund Cash Balances, December 31, 2001	<u>\$610,847</u>	<u>\$271,301</u>	<u>\$18</u>	<u>\$882,166</u>
Reserve for Encumbrances, December 31, 2001	<u>\$15,253</u>	<u>\$50,358</u>	<u>\$0</u>	<u>\$65,611</u>

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

**CONCORD TOWNSHIP
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Concord 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, fire protection and emergency medical services.

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

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 or disbursements, respectively.

Certificates of deposit are valued at cost

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:

1. 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.

2. 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 Fund:

**CONCORD TOWNSHIP
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

Fire and Emergency Medical Service Fund - This fund receives tax money to pay for fire protection and emergency medical service to the Township

3. Debt Service Fund

The debt service fund is used to accumulate resources for the payment of bonds and note indebtedness. This fund is used to set aside amounts necessary to make required payments on a general obligation note.

E. Budgetary Process

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

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund 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. Unencumbered appropriations lapse at year end.

2. Estimated Resources

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

3. 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 2002 and 2001 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.

G. Accumulated Leave

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

**CONCORD TOWNSHIP
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Township maintains a cash and investment pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	2002	2001
Demand deposits	\$993,738	\$682,166
Certificates of deposit	200,000	200,000
Total deposits	\$1,193,738	\$882,166

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2002 and December 31, 2001 follows:

2002 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$618,812	\$752,868	\$134,056
Special Revenue	1,395,469	1,390,918	4,551
Debt Service	43,599	43,599	0
Total	\$2,057,880	\$2,187,385	\$138,607

2002 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,065,014	\$482,818	\$582,196
Special Revenue	1,601,103	1,414,637	186,466
Debt Service	43,617	43,617	0
Total	\$2,709,734	\$1,941,072	\$768,662

2001 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$468,820	\$566,182	\$97,362
Special Revenue	1,184,884	1,218,610	33,726
Debt Service	44,492	44,492	0
Total	\$1,698,196	\$1,829,284	\$131,088

**CONCORD TOWNSHIP
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$880,541	\$461,768	\$418,773
Special Revenue	1,447,300	1,283,370	163,930
Debt Service	45,309	45,290	19
Total	\$2,373,150	\$1,790,428	\$582,722

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the 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 payments, the first half is due December 31. The second half payment is due the following June 20.

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.

5. DEBT

Debt outstanding at December 31, 2002 was as follows:

	Principal	Interest Rate
General Obligation Notes	\$190,662	5%

The general obligation note was issued to finance the construction of a maintenance facility building used by the Township road department. The note is collateralized solely by the Township's taxing authority.

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

Year Ending December 31:	General Obligation Notes
2003	\$41,926
2004	40,257
2005	38,543
2006 – 2010	105,484
Total	\$226,210

**CONCORD TOWNSHIP
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

6. RETIREMENT SYSTEMS

The Township's certified Fire Fighters belong to the Police and Fire Pension Fund (OP&F). Other employees belong to the Public Employees Retirement System (PERS) of Ohio. OP&F and PERS are cost-sharing, multiple-employer plans. These plans provide 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 2002 and 2001, members of OP&F participants contributed 10% of their wages. The Township contributed an amount equal to 24% of their wages to OP&F. PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries. The Township has paid all contributions required through December 31, 2002

7. RISK MANAGEMENT

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

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Auditor of State Betty Montgomery

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

Concord Township
Delaware County
7250 Dublin Road
Delaware, Ohio 43015

To the Board of Trustees:

We have audited the accompanying financial statements of Concord Township, Delaware County, Ohio (the Township) as of and for the years ended December 31, 2002 and December 31, 2001 and have issued our report thereon dated March 10, 2003. 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.

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 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 that are required to be reported under *Government Auditing Standards*. However, we noted a certain immaterial instance of noncompliance that we have reported to management of the Township in a separate letter dated March 10, 2003.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the 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 March 10, 2003.

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Concord Township
Delaware County
Independent Accountants' Report on Compliance and on Internal Control
Required by *Government Auditing Standards*
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This report is intended solely 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.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

BETTY MONTGOMERY
Auditor of State

March 10, 2003



**Auditor of State
Betty Montgomery**

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Columbus, Ohio 43216-1140

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800-282-0370

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CONCORD 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 20, 2003**