



**Auditor of State
Betty Montgomery**

**OXFORD TOWNSHIP
DELAWARE COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Oxford Township
Delaware County
5676 Steamtown Road
Ashley, Ohio 43003

To the Board of Trustees:

We have audited the accompanying financial statements of Oxford 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 28, 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.

Oxford Township
Delaware County
Independent Accountants' Report
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This report is intended solely for the information and use of the audit committee, 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 28, 2003

**OXFORD TOWNSHIP
DELAWARE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Governmental Fund Types</u>		<u>Fiduciary Fund Type</u>	Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Non-Expendable Trust</u>	
Cash Receipts:				
Local Taxes	\$47,728	\$21,432	\$0	\$69,160
Intergovernmental	42,899	61,802	0	104,701
Licenses, Permits, and Fees	3,773	0	0	3,773
Earnings on Investments	1,264	1,873	91	3,228
Other Revenue	815	314	0	1,129
	<u>96,479</u>	<u>85,421</u>	<u>91</u>	<u>181,991</u>
Cash Disbursements:				
Current:				
General Government	40,818	0	0	40,818
Public Safety	365	0	0	365
Public Works	17,181	61,818	0	78,999
Health	9,493	0	0	9,493
Conservation - Recreation	7,529	0	0	7,529
Capital Outlay	56,600	4,743	0	61,343
	<u>131,986</u>	<u>66,561</u>	<u>0</u>	<u>198,547</u>
Total Receipts Over/(Under) Disbursements	<u>(35,507)</u>	<u>18,860</u>	<u>91</u>	<u>(16,556)</u>
Other Financing Receipts and (Disbursements):				
Sale of Fixed Assets	50	0		50
	<u>50</u>	<u>0</u>	<u>0</u>	<u>50</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(35,457)	18,860	91	(16,506)
Fund Cash Balances, January 1	<u>\$90,271</u>	<u>\$100,384</u>	<u>3,028</u>	<u>193,683</u>
Fund Cash Balances, December 31	<u><u>\$54,814</u></u>	<u><u>\$119,244</u></u>	<u><u>\$3,119</u></u>	<u><u>\$177,177</u></u>
Reserve for Encumbrances, December 31	<u><u>\$3,566</u></u>	<u><u>\$2,664</u></u>	<u><u>\$0</u></u>	<u><u>\$6,230</u></u>

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

**OXFORD TOWNSHIP
DELAWARE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Governmental Fund Types</u>		<u>Fiduciary Fund Type</u>	Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Non-Expendable Trust</u>	
Cash Receipts:				
Local Taxes	\$46,281	\$16,575	\$0	\$62,856
Intergovernmental	64,488	59,460	0	123,948
Licenses, Permits, and Fees	315	0	0	315
Earnings on Investments	4,863	3,854	121	8,838
Other Revenue	1,118	132	0	1,250
	<u>117,065</u>	<u>80,021</u>	<u>121</u>	<u>197,207</u>
Cash Disbursements:				
Current:				
General Government	28,045	0	0	28,045
Public Safety	342	0	0	342
Public Works	16,191	64,583	0	80,774
Health	10,162	127	0	10,289
Conservation - Recreation	12,177	0	0	12,177
Capital Outlay	107,409	20,000	0	127,409
	<u>174,326</u>	<u>84,710</u>	<u>0</u>	<u>259,036</u>
Total Receipts Over/(Under) Disbursements	<u>(57,261)</u>	<u>(4,689)</u>	<u>121</u>	<u>(61,829)</u>
Other Financing Receipts and (Disbursements):				
Sale of Fixed Assets	1,000	0	0	1,000
	<u>1,000</u>	<u>0</u>	<u>0</u>	<u>1,000</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(56,261)	(4,689)	121	(60,829)
Fund Cash Balances, January 1	<u>146,532</u>	<u>105,073</u>	<u>2,907</u>	<u>254,512</u>
Fund Cash Balances, December 31	<u><u>\$90,271</u></u>	<u><u>\$100,384</u></u>	<u><u>\$3,028</u></u>	<u><u>\$193,683</u></u>
Reserve for Encumbrances, December 31	<u><u>\$7,815</u></u>	<u><u>\$403</u></u>	<u><u>\$0</u></u>	<u><u>\$8,218</u></u>

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

**OXFORD TOWNSHIP
DELAWARE COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Oxford 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 road and bridge maintenance, cemetery maintenance, and general governmental services.

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

See Note 7 for a description of the Township's component unit, Ashley Union Cemetery. The Township also jointly governs the Elm Valley Joint Fire District. The Fire District is governed by one trustee each from Oxford Township, Peru Township, Westfield Township, and the Village of Ashley.

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. Money market mutual funds (including STAR Ohio) are recorded at share values reported by the mutual fund.

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.

**OXFORD 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)

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:

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

3. Fiduciary Fund (Non-Expendable Trust Fund)

This fund is used to account for resources restricted by legally binding trust agreements. The Township had the following significant fiduciary fund:

Cemetery Bequest Fund – This fund is to account for bequests of funds made for upkeep of cemetery plots.

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 reappropriated.

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.

**OXFORD 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 investments 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	\$46,207	\$65,012
Certificates of deposit	1,500	1,500
Total deposits	47,707	66,512
STAR Ohio	129,470	127,171
Total investments	129,470	127,171
Total deposits and investments	\$177,177	\$193,683

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

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, 2002 and December 31, 2001 follows:

2002 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$91,833	\$96,529	\$4,696
Special Revenue	81,808	85,421	3,613
Fiduciary	75	91	16
Total	\$173,716	\$182,041	\$8,325

2002 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$176,615	\$135,552	\$41,063
Special Revenue	171,945	69,225	102,720
Fiduciary	1,500	0	1,500
Total	\$350,060	\$204,777	\$145,283

2001 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$104,797	\$118,065	\$13,268
Special Revenue	74,532	80,021	5,489
Fiduciary	68	121	53
Total	\$179,397	\$198,207	\$18,810

**OXFORD 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	\$249,710	\$182,141	\$67,569
Special Revenue	182,521	85,113	97,408
Fiduciary	1,150	0	1,150
Total	\$433,381	\$267,254	\$166,127

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. RETIREMENT SYSTEMS

The Township's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This 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 2002 and 2001, members of PERS 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.

6. RISK MANAGEMENT

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

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

The Township also provides health insurance and dental coverage to the Township Trustees and Clerk and dental coverage to the Road Superintendent.

**OXFORD TOWNSHIP
DELAWARE COUNTY**

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

7. COMPONENT UNIT

The Ashley Union Cemetery is considered a component unit of the Township. The Cemetery is considered a component unit because the Township appoints the majority of the Cemetery Board and provides one-half of the Cemetery's financial support. The financial statements of the Cemetery can be obtained by writing Mary Ogg, Clerk, at 8191 Ashley Road, Ashley, Ohio 43003.

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**Auditor of State
Betty Montgomery**

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

Oxford Township
Delaware County
5676 Steamtown Road
Ashley, Ohio 43003

To the Board of Trustees:

We have audited the accompanying financial statements of Oxford 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 28, 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*.

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.

Oxford Township
Delaware County
Independent Accountants' Report on Compliance and on Internal Control
Required by *Government Auditing Standards*
Page 2

This report is intended solely for the information and use of the audit committee, 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 28, 2003



**Auditor of State
Betty Montgomery**

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Columbus, Ohio 43216-1140

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OXFORD 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 8, 2003**