



OHIO AUDITOR OF STATE
KEITH FABER



**DELHI TOWNSHIP
HAMILTON COUNTY
DECEMBER 31, 2020 AND 2019**

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OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash
11117 Kenwood Road
Blue Ash, Ohio 45242-1817
(513) 361-8550 or (800) 368-7419
SouthwestRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT

Delhi Township
Hamilton County
934 Neeb Road
Cincinnati, Ohio 45233

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements for each governmental and proprietary fund type combined total as of and for the year ended December 31, 2020 and for each governmental and proprietary fund type as of and for the year ended December 31, 2019, and related notes of Delhi Township, Hamilton County, Ohio (the Township).

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the Township prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the Township does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township, as of December 31, 2020 and 2019, and the respective changes in financial position or cash flows thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental and proprietary fund type combined total as of and for the year ended December 31, 2020 and for each governmental and proprietary fund type as of and for the year ended December 31, 2019, and related notes of the Township, in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, as described in Note 2.

Emphasis of Matter

As discussed in Note 13 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Township. We did not modify our opinion regarding this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 21, 2021 on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine 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* in considering the Township's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio
July 21, 2021

Delhi Township
Hamilton County, Ohio
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2020

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$310,846	\$10,532,396			\$10,843,242
Charges for Services	0	29,496			29,496
Licenses, Permits and Fees	411,417	633,198			1,044,615
Fines and Forfeitures	10,131	3,124			13,255
Intergovernmental	331,263	4,145,253		991,648	5,468,164
Special Assessments	72,621	61,202			133,823
Earnings on Investments	317,562	0			317,562
Miscellaneous	322,977	5,716,192			6,039,169
<i>Total Cash Receipts</i>	<u>1,776,817</u>	<u>21,120,861</u>	<u>0</u>	<u>991,648</u>	<u>23,889,326</u>
Cash Disbursements					
Current:					
General Government	1,258,139	58,065			1,316,204
Public Safety		10,116,138			10,116,138
Public Works	32,827	1,192,916			1,225,743
Health		550			550
Conservation-Recreation		562,637			562,637
Other		2,824,226			2,824,226
Capital Outlay	583,461	901,955		28,300	1,513,716
Debt Service:					
Principal Retirement		8,151	852,311		860,462
Payment to Refunded Bond Escrow Agent			0		
Interest and Fiscal Charges			71,041		71,041
<i>Total Cash Disbursements</i>	<u>1,874,427</u>	<u>15,664,638</u>	<u>923,352</u>	<u>28,300</u>	<u>18,490,717</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(97,610)</u>	<u>5,456,223</u>	<u>(923,352)</u>	<u>963,348</u>	<u>5,398,609</u>
Other Financing Receipts (Disbursements)					
Sale of Capital Assets	3,033	52,802			55,835
Transfers In	365,000	19,000	923,352		1,307,352
Transfers Out	(384,000)	(923,352)			(1,307,352)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(15,967)</u>	<u>(851,550)</u>	<u>923,352</u>	<u>0</u>	<u>55,835</u>
<i>Net Change in Fund Cash Balances</i>	(113,577)	4,604,673	0	963,348	5,454,444
<i>Fund Cash Balances, January 1</i>	<u>7,658,738</u>	<u>11,304,932</u>	<u>41</u>		<u>18,963,711</u>
<i>Fund Cash Balances, December 31</i>	<u>\$7,545,161</u>	<u>\$15,909,605</u>	<u>\$41</u>	<u>\$963,348</u>	<u>\$24,418,155</u>

See accompanying notes to the basic financial statements

Delhi Township
Hamilton County, Ohio
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Cash Basis)
All Proprietary Fund Types
For the Year Ended December 31, 2020

	<u>Proprietary Fund Types</u>		<u>Totals</u>
	<u>Enterprise</u>	<u>Internal Service</u>	<u>(Memorandum Only)</u>
Operating Cash Receipts			
Charges for Services	\$1,305	\$1,375,070	\$1,376,375
<i>Total Operating Cash Receipts</i>	<u>1,305</u>	<u>1,375,070</u>	<u>1,376,375</u>
Operating Cash Disbursements			
Claims		1,167,610	1,167,610
Other	927		927
<i>Total Operating Cash Disbursements</i>	<u>927</u>	<u>1,167,610</u>	<u>1,168,537</u>
<i>Operating Income (Loss)</i>	<u>378</u>	<u>207,460</u>	<u>207,838</u>
<i>Fund Cash Balances, January 1</i>	<u>27,560</u>	<u>248,380</u>	<u>275,940</u>
<i>Fund Cash Balances, December 31</i>	<u>\$27,938</u>	<u>\$455,840</u>	<u>\$483,778</u>

See accompanying notes to the basic financial statements

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Delhi Township, Hamilton County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, police and fire protection, and emergency medical services.

The Township participates in a public entity risk pool. Note 6 to the financial statements provides additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types which are organized on a fund type basis.

Fund Accounting

The Township uses funds to maintain financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are presented below:

General Fund – The general fund accounts for and reports all financial resources not accounted for and reported 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.

Special Revenue Funds – These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

Police District Fund – This fund receives property tax money to provide police protection to the Township.

Tax Increment Equivalent Fund – This fund receives payments in lieu of taxes from real property parcels enrolled in the tax increment financing program. These monies are used to finance the costs of public improvements and are distributed to local school districts.

Fire District Fund – This fund receives property tax money to provide fire protection to the Township.

Debt Service Funds – These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Township had the following significant Debt Service Fund:

General Bond Retirement Fund – This fund receives transfers from the Tax Increment Equivalent Fund which are used to pay bonds and loans.

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

Capital Projects Funds – These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Township had the following significant Capital Project Fund:

Greenwell Fire Station – This fund received funds from a private placement of general obligation bonds for the construction of a new fire station.

Internal Service Fund – This fund accounts for services provided by one department to other departments of the government unit. The Township had the following Internal Service Fund:

Self-Insurance Medical Fund – This fund receives insurance premium payments from other funds to pay medical claims of employees enrolled in the Township's health insurance plan.

Enterprise Funds – These funds account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of provided goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose. The Township had the following significant Enterprise Fund:

Concession Stand Fund – This fund receives concession stand proceeds from the Township parks.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned and recognizes disbursements 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 the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

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 or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

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

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

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 in the subsequent year.

A summary of 2020 budgetary activity appears in Note 3.

Deposits and Investments

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Money market mutual funds are recorded at share values the mutual funds report.

Capital Assets

The Township records disbursements for acquisitions of property, plant and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

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. For regulatory purposes nonspendable fund balances includes unclaimed monies that are required to be held for five years before they may be utilized by the Township and the nonexpendable portion of the corpus in permanent funds.

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 – Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend 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*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrance outstanding at year end.

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.

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

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.

Note 3 – Budgetary Activity

Budgetary activity for the years ending December 31, 2020 as follows:

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,413,794	\$ 2,144,850	\$ 731,056
Special Revenue	19,255,447	21,192,662	1,937,215
Debt Service	946,256	923,352	(22,904)
Capital Projects	3,966,592	991,648	(2,974,944)
Enterprise	5,000	1,305	(3,695)
Internal Service	1,400,906	1,375,071	(25,835)
Total	<u>\$ 26,987,995</u>	<u>\$ 26,628,888</u>	<u>\$ (359,107)</u>

2020 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 3,227,917	\$ 2,865,556	\$ 362,361
Special Revenue	21,348,786	17,166,430	4,182,356
Debt Service	923,352	923,352	-
Capital Projects	3,966,592	29,300	3,937,292
Enterprise	4,000	927	3,073
Internal Service	1,539,220	1,468,229	70,991
Total	<u>\$ 31,009,867</u>	<u>\$ 22,453,794</u>	<u>\$ 8,556,073</u>

Note 4 – Deposits and Investments

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

	2020
Demand deposits	\$ 425,470
Certificates of Deposit	12,423
Total deposits	<u>437,893</u>
Commercial Paper	6,291,941
Federal Agency Notes	9,402,856
ICS (Money market)	8,769,243
Total investments	<u>24,464,040</u>
Total deposits and investments	<u>\$ 24,901,933</u>

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 4 – Deposits and Investments (Continued)

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

Investments: The Federal Reserve holds the Township's Federal Agency Notes in book-entry form by, in the name of the Township's financial institution. The financial institution maintains records identifying the Township as owner of these securities.

Note 5 – Property Taxes

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

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

Note 6 – Risk Management

The Township belongs to the Ohio Plan Risk Management, Inc. (OPRM) - formerly known as the Ohio Government Risk Management Plan, (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. The treaty reimburses the OPRM 30% for losses between \$200,000 and \$1,000,000. The reimbursement is based on the amount of loss between \$200,000 and \$1,000,000. Effective November 1, 2018, the OPRM's property retention was 47%, however the Plan assumed 100% of the first \$250,000 casualty treaty. Effective November 1, 2019, the OPRM's property retention increased from 30% to 33%, while the casualty treaty remains unchanged and still assumes 100% of the first \$250,000 casualty treaty. OPRM had 776 and 774 members of December 31, 2019 and 2018 respectively.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 6 – Risk Management (Continued)

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2019 and 2018 (the latest information available).

	2019	2018
Assets	\$15,920,504	\$15,065,412
Liabilities	(11,329,011)	(10,734,623)
Members' Equity	<u>\$4,591,493</u>	<u>\$4,330,789</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Self-Insurance

The Township provides health, vision, dental and life insurance to its employees. Dental, vision and life benefits are paid via traditional premium insurance. Medical benefits are provided through a benefits management agreement by and between the Township and Key Benefit Administrators in 2020. Hylant secures Stop Loss Insurance. The plan is funded by employee payroll deductions and Township contributions. Actual claims are then processed and paid. Monthly premiums are paid in addition to funding a self-insurance portion. The self-insurance portion is funded by both the Township and the employee and is deposited into the self-insurance fund, from which claims are then paid.

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

The Township's employees, with the exception of full time fire department personnel, belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2020.

Ohio Police and Fire Pension Fund

The Township's certified fire fighters belong to the Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Township contributed to OP&F an amount equal to 24% of full-time firefighter's wages. The Township has paid all contributions required through December 31, 2020.

Note 8 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. OPERS contributes 2 percent of the employer contribution to fund these benefits, and OP&F contributes 0.5 percent to fund these benefits.

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 9 – Debt

Debt outstanding at December 31, 2020 was as follows:

	Principal	Interest Rate
Greenwell Ave. Firestation Bonds	\$ 1,173,718	2.26%
General Obligation Bonds	600,000	Varies
OPWC - CB13F	38,288	0%
OPWC - CB22F	14,092	0%
Total	\$ 1,826,098	

The Township issued general obligation bonds in June 2016 for the purpose of advance funding to finance the construction of a new firehouse on Greenwell Avenue. The bond payments are payable on a semi-annual basis in the amount of \$154,272.97 with an interest rate of 2.26%. The last payment is due December 2024. Payments are made from a Debt Service Fund.

The Township issued general obligation bonds in March 2011 for the purpose of advance refunding the 2001 Public Safety General Obligation Bonds issued to finance the purchase of a new firehouse, related equipment and the renovation of an existing firehouse. The bonds were issued in denominations of \$5,000 for \$5,135,000 par value payable beginning December 2011 and maturing through December 2021 at varying interest rates between 2.0% and 4.0%. The Township's taxing authority collateralized the bonds. The 2001 bonds were redeemed at 100% of par plus accrued interest with funds escrowed from the 2011 issue. Payments are made from a Debt Service Fund.

The Ohio Public Works (OPWC) loans were issued in 2003 to finance the reconstruction of specific Township road projects. Payments are made from the Tax Increment Financing Fund.

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

	Greenwell Ave. Firestation Bonds	General Obligation Bonds	OPWC CB13F	OPWC CB22F
Year ending December 31:				
2021	308,546	620,400	12,780	3,523
2022	308,546	-	12,780	3,523
2023	308,546	-	12,728	3,523
2024	308,546	-	-	3,523
Total	\$ 1,234,184	\$ 620,400	\$ 38,288	\$ 14,092

Note 10 – Contingent Liabilities

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 11 – Component Unit

The Delhi Township Community Improvement Corporation (CIC) is a non-profit 501(c)(3) that was created by the Delhi Township Trustees and certified by the State of Ohio, Secretary of State in December 2014. The CIC was created in order to work cooperatively for the health, safety, morals and general welfare of the citizens of Delhi Township to promote economic development and job growth within the Township. The CIC has been designated by the Delhi Township Board of Trustees as the Economic Development agent for Delhi Township. Delhi Township contributed \$3,000 to the CIC in 2020 to support economic development grant programs.

Note 12 – Transfers

During 2020, the following transfers were made:

	Transfers In	Transfers Out
General Fund	\$ -	\$ (384,000)
Tax Increment Financing	-	(923,352)
Underground Storage Tank	1,000	-
Zoning	365,000	-
Recycling Incentive Fund	18,000	-
General Bond Retirement	923,352	-
Total	\$ 1,307,352	\$ (1,307,352)

During 2020, the Township transferred money from the Tax Increment Financing Fund to the General Bond Retirement Fund in order to pay debt payments from the appropriate funds. In addition, transfers were made from the General Fund to provide additional resources for current operations. The General Fund transferred monies to the Zoning Fund, which is reported with the General Fund on the accompanying financial statements.

The transfers were determined to be appropriate and in compliance with the Ohio Revised Code.

Note 13 – COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures may impact subsequent periods of the Township. The Township's investment portfolio and the investments of the pension and other employee benefit plan in which the Township participates have not incurred a significant decline in fair value. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Township's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Note 14 – Fund Balances

Included in fund balances are amounts the Township cannot spend, including the balance of unclaimed monies which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods and services. Encumbrance accounting utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Note 14 – Fund Balances (Continued)

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>Internal Service</u>	<u>Capital Projects</u>	<u>Total</u>
Assigned:					
Outstanding Encumbrances	<u>\$539,452</u>	<u>\$445,492</u>	<u>\$977</u>	<u>\$1,000</u>	<u>\$986,921</u>
Total	<u><u>\$539,452</u></u>	<u><u>\$445,492</u></u>	<u><u>\$977</u></u>	<u><u>\$1,000</u></u>	<u><u>\$986,921</u></u>

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects fund are restricted, committed or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted. Committed and assigned amounts in the special revenue, debt service, capital projects and permanent funds would include outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

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Delhi Township
Hamilton County, Ohio
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2019

	General	Special Revenue	Debt Service	Totals (Memorandum Only)
Cash Receipts				
Property and Other Local Taxes	\$313,608	\$10,327,003		\$10,640,611
Charges for Services	115,080	120,470		235,550
Licenses, Permits and Fees	407,012	733,225		1,140,237
Fines and Forfeitures	14,187	4,459		18,646
Intergovernmental	348,773	2,138,684		2,487,457
Special Assessments	30,060	45,441		75,501
Earnings on Investments	486,165	0		486,165
Miscellaneous	57,128	4,945,739		5,002,867
<i>Total Cash Receipts</i>	<u>1,772,013</u>	<u>18,315,021</u>	<u>0</u>	<u>20,087,034</u>
Cash Disbursements				
Current:				
General Government	1,241,507	56,197		1,297,704
Public Safety	0	9,886,925		9,886,925
Public Works	32,838	993,792		1,026,630
Health		550		550
Conservation-Recreation		735,362		735,362
Other		3,113,300		3,113,300
Capital Outlay	875,001	2,711,757		3,586,758
Debt Service:				
Principal Retirement		16,303	821,149	837,452
Interest and Fiscal Charges			99,187	99,187
<i>Total Cash Disbursements</i>	<u>2,149,346</u>	<u>17,514,186</u>	<u>920,336</u>	<u>20,583,868</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(377,333)</u>	<u>800,835</u>	<u>(920,336)</u>	<u>(496,834)</u>
Other Financing Receipts (Disbursements)				
Sale of Capital Assets	1,398	59,333		60,731
Transfers In	300,000	10,000	920,352	1,230,352
Transfers Out	(310,000)	(920,352)		(1,230,352)
Other Financing Sources	16,056			16,056
<i>Total Other Financing Receipts (Disbursements)</i>	<u>7,454</u>	<u>(851,019)</u>	<u>920,352</u>	<u>76,787</u>
<i>Net Change in Fund Cash Balances</i>	<u>(369,879)</u>	<u>(50,184)</u>	<u>16</u>	<u>(420,047)</u>
<i>Fund Cash Balances, January 1</i>	<u>8,028,617</u>	<u>11,355,116</u>	<u>25</u>	<u>19,383,758</u>
Fund Cash Balances, December 31				
Restricted		11,304,932	41	11,304,973
Assigned	23,917			23,917
Unassigned	7,634,821			7,634,821
<i>Fund Cash Balances, January 1</i>	<u>\$7,658,738</u>	<u>\$11,304,932</u>	<u>\$41</u>	<u>\$18,963,711</u>

See accompanying notes to the basic financial statements

Delhi Township
Hamilton County, Ohio
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Cash Basis)
All Proprietary Fund Types
For the Year Ended December 31, 2019

	<u>Proprietary Fund Types</u>		<u>Totals</u>
	<u>Enterprise</u>	<u>Internal Service</u>	<u>(Memorandum Only)</u>
Operating Cash Receipts			
Charges for Services	<u>\$2,520</u>	<u>\$1,835,143</u>	<u>\$1,837,663</u>
<i>Total Operating Cash Receipts</i>	<u>2,520</u>	<u>1,835,143</u>	<u>1,837,663</u>
Operating Cash Disbursements			
Employee Fringe Benefits		385	385
Claims		1,647,421	1,647,421
Other	<u>1,098</u>	<u>8,412</u>	<u>9,510</u>
<i>Total Operating Cash Disbursements</i>	<u>1,098</u>	<u>1,656,218</u>	<u>1,657,316</u>
<i>Net Change in Fund Cash Balances</i>	1,422	178,925	180,347
<i>Fund Cash Balances, January 1</i>	<u>26,138</u>	<u>69,455</u>	<u>95,593</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$27,560</u></u>	<u><u>\$248,380</u></u>	<u><u>\$275,940</u></u>

See accompanying notes to the basic financial statements

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Delhi Township, Hamilton County, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, police and fire protection, and emergency medical services.

The Township participates in a public entity risk pool. Note 6 to the financial statements provides additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Township's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types which are organized on a fund type basis.

Fund Accounting

The Township uses funds to maintain financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Township are presented below:

General Fund – The general fund accounts for and reports all financial resources not accounted for and reported 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.

Special Revenue Funds – These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Township had the following significant Special Revenue Funds:

Police District Fund – This fund receives property tax money to provide police protection to the Township.

Tax Increment Equivalent Fund – This fund receives payments in lieu of taxes from real property parcels enrolled in the tax increment financing program. These monies are used to finance the costs of public improvements and are distributed to local school districts.

Fire District Fund – This fund receives property tax money to provide fire protection to the Township.

Debt Service Funds – These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Township had the following significant Debt Service Fund:

General Bond Retirement Fund – This fund receives transfers from the Tax Increment Equivalent Fund which are used to pay bonds and loans.

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

Capital Projects Funds – These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Township had the following significant Capital Project Fund:

Greenwell Fire Station – This fund received funds from a private placement of general obligation bonds for the construction of a new fire station.

Internal Service Fund – This fund accounts for services provided by one department to other departments of the government unit. The Township had the following Internal Service Fund:

Self-Insurance Medical Fund – This fund receives insurance premium payments from other funds to pay medical claims of employees enrolled in the Township's health insurance plan.

Enterprise Funds – These funds account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of provided goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose. The Township had the following significant Enterprise Fund:

Concession Stand Fund – This fund receives concession stand proceeds from the Township parks.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

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 or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

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

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

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 in the subsequent year.

A summary of 2019 budgetary activity appears in Note 3.

Deposits and Investments

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Money market mutual funds are recorded at share values the mutual funds report.

Capital Assets

The Township records disbursements for acquisitions of property, plant and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

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 – Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend 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 Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

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.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2019 as follows:

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,336,691	\$ 2,089,468	\$ 752,777
Special Revenue	17,238,617	18,384,351	1,145,734
Debt Service	920,352	920,352	-
Capital Projects	-	-	-
Enterprise	5,000	2,521	(2,479)
Internal Service	1,838,386	1,835,142	(3,244)
Total	\$ 21,339,046	\$ 23,231,834	\$ 1,892,788

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 2,783,011	\$ 2,483,264	\$ 299,747
Special Revenue	20,799,363	18,563,552	2,235,811
Debt Service	920,360	920,335	25
Capital Projects	-	-	-
Enterprise	9,000	1,098	7,902
Internal Service	1,836,117	1,812,271	23,846
Total	\$ 26,347,851	\$ 23,780,520	\$ 2,567,331

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

Note 4 – Deposits and Investments

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

	2019
Demand deposits	\$ 231,229
Certificates of Deposit	12,410
Total deposits	243,639
Commercial Paper	6,169,176
Federal Agency Notes	9,363,362
ICS (Money market)	3,463,475
Total investments	18,996,013
Total deposits and investments	\$ 19,239,652

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

Investments: The Federal Reserve holds the Township's Federal Agency Notes in book-entry form by, in the name of the Township's financial institution. The financial institution maintains records identifying the Township as owner of these securities.

Note 5 – Property Taxes

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

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

Note 6 – Risk Management

The Township belongs to the Ohio Plan Risk Management, Inc. (OPRM) - formerly known as the Ohio Government Risk Management Plan, (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. Effective November 1, 2017, the OPRM retained 47% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty.

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

Note 6 – Risk Management (Continued)

The OPRM is also participating in a property primary excess of loss treaty. The treaty reimburses the OPRM 30% for losses between \$200,000 and \$1,000,000. The reimbursement is based on the amount of loss between \$200,000 and \$1,000,000. Effective November 1, 2018, the OPRM's property retention remain unchanged, however the Plan assumed 100% of the first \$250,000 casualty treaty. OPRM had 774 and 764 members of December 31, 2018 and 2017 respectively.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member's covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2018 and 2017 (the latest information available).

	<u>2018</u>	<u>2017</u>
Assets	\$15,065,412	\$14,853,620
Liabilities	(10,734,623)	(9,561,108)
Members' Equity	<u>\$4,330,789</u>	<u>\$5,292,512</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Self-Insurance

The Township provides health, vision, dental and life insurance to its employees. Dental, vision and life benefits are paid via traditional premium insurance. Medical benefits are provided through a benefits management agreement by and between the Township and Key Benefit Administrators in 2019. Custom Design Benefits secures Stop Loss Insurance. The plan is funded by employee payroll deductions and Township contributions. Actual claims are then processed and paid. Monthly premiums are paid in addition to funding a self-insurance portion. The self-insurance portion is funded by both the Township and the employee and is deposited into the self-insurance fund, from which claims are then paid.

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

The Township's employees, with the exception of full time fire department personnel, belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2019.

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

Note 7 – Defined Benefit Pension Plans (Continued)

Ohio Police and Fire Pension Fund

The Township’s certified fire fighters belong to the Police and Fire Pension Fund (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Township contributed to OP&F an amount equal to 24% of full-time firefighter’s wages. The Township has paid all contributions required through December 31, 2019.

Note 8 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. OPERS contributes 2 percent of the employer contribution to fund these benefits, and OP&F contributes 0.5 percent to fund these benefits.

Note 9 – Debt

Debt outstanding at December 31, 2019 was as follows:

	Principal	Interest Rate
Greenwell Ave. Firestation Bonds	\$ 1,451,029	2.26%
General Obligation Bonds	1,175,000	Varies
OPWC - CB13F	44,678	0%
OPWC - CB22F	15,853	0%
Total	\$ 2,686,560	

The Township issued general obligation bonds in June 2016 for the purpose of advance funding to finance the construction of a new firehouse on Greenwell Avenue. The bond payments are payable on a semi-annual basis in the amount of \$154,272.97 with an interest rate of 2.26%. The last payment is due December 2024. Payments are made from a Debt Service Fund.

The Township issued general obligation bonds in March 2011 for the purpose of advance refunding the 2001 Public Safety General Obligation Bonds issued to finance the purchase of a new firehouse, related equipment and the renovation of an existing firehouse. The bonds were issued in denominations of \$5,000 for \$5,135,000 par value payable beginning December 2011 and maturing through December 2021 at varying interest rates between 2.0% and 4.0%. The Township’s taxing authority collateralized the bonds. The 2001 bonds were redeemed at 100% of par plus accrued interest with funds escrowed from the 2011 issue. Payments are made from a Debt Service Fund.

The Ohio Public Works (OPWC) loans were issued in 2003 to finance the reconstruction of specific Township road projects. Payments are made from the Tax Increment Financing Fund.

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

Note 9 – Debt (Continued)

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

Year ending December 31:	Greenwell Ave. Firestation Bonds	General Obligation Bonds	OPWC CB13F	OPWC CB22F
2020	308,546	614,806	12,780	3,523
2021	308,546	620,400	12,780	3,523
2022	308,546	-	12,780	3,523
2023	308,546	-	6,338	3,523
2024	308,546	-	-	1,761
Total	<u>\$ 1,542,730</u>	<u>\$ 1,235,206</u>	<u>\$ 44,678</u>	<u>\$ 15,853</u>

Note 10 – Contingent Liabilities

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 11 – Component Unit

The Delhi Township Community Improvement Corporation (CIC) is a non-profit 501(c)(3) that was created by the Delhi Township Trustees and certified by the State of Ohio, Secretary of State in December 2014. The CIC was created in order to work cooperatively for the health, safety, morals and general welfare of the citizens of Delhi Township to promote economic development and job growth within the Township. The CIC has been designated by the Delhi Township Board of Trustees as the Economic Development agent for Delhi Township. Delhi Township contributed \$2,000 to the CIC in 2019 to support economic development grant programs.

Note 12 - Transfers

During 2019, the following transfers were made:

	Transfers In	Transfers Out
General Fund	\$ -	\$ (310,000)
Tax Increment Financing	-	(920,352)
Zoning	300,000	
Recycling Incentive Fund	10,000	-
General Bond Retirement	920,352	-
Total	<u>\$ 1,230,352</u>	<u>\$ (1,230,352)</u>

During 2019, the Township transferred money from the Tax Increment Financing Fund to the General Bond Retirement Fund in order to pay debt payments from the appropriate funds. In addition, transfers were made from the General Fund to provide additional resources for current operations. The General Fund transferred monies to the Zoning Fund, which is reported with the General Fund on the accompanying financial statements.

The transfers were determined to be appropriate and in compliance with the Ohio Revised Code.

**DELHI TOWNSHIP
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

Note 13 – COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures may impact subsequent periods of the Township. The Township's investment portfolio and the investments of the pension and other employee benefit plan in which the Township participates have not incurred a significant decline in fair value. However, because the value of individual investments fluctuates with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Township's future operating costs, revenues, and any recovery from emergency funding, either federal or state cannot be estimated.

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**DELHI TOWNSHIP
HAMILTON COUNTY, OHIO**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED DECEMBER 31, 2020**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF TREASURY			
<i>Hamilton County, Ohio</i>			
COVID-19 Coronavirus Relief Fund	21.019	HB481-CRF-Local	\$1,968,813
Total U.S. Department of Treasury			1,968,813
U.S. DEPARTMENT OF HOMELAND SECURITY			
Assistance to Firefighters	97.044	N/A	23,555
Total U.S. Department of Homeland Security			23,555
Total Expenditures of Federal Awards			\$1,992,368

The accompanying notes are an integral part of this schedule.

**DELHI TOWNSHIP
HAMILTON COUNTY, OHIO**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of Delhi Township under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Government, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Township.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The Township has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash
11117 Kenwood Road
Blue Ash, Ohio 45242-1817
(513) 361-8550 or (800) 368-7419
SouthwestRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Delhi Township
Hamilton County
934 Neeb Road
Cincinnati, Ohio 45233

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts and disbursements for each governmental and proprietary fund type combined total as of and for the year ended December 31, 2020 and for each governmental and proprietary fund type as of and for the year ended December 31, 2019, and related notes of Delhi Township, Hamilton County, (the Township), and have issued our report thereon dated July 21, 2021 wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the Township.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Township's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Township's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Township's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Governmental Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed under *Governmental Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio
July 21, 2021

OHIO AUDITOR OF STATE KEITH FABER



Corporate Centre of Blue Ash
11117 Kenwood Road
Blue Ash, Ohio 45242-1817
(513) 361-8550 or (800) 368-7419
SouthwestRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Delhi Township
Hamilton County
934 Neeb Road
Cincinnati, Ohio 45233

To the Board of Trustees:

Report on Compliance for the Major Federal Program

We have audited Delhi Township's (the Township) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect Delhi Township's major federal program for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Township's major federal program.

Management's Responsibility

The Township's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the Township's compliance for the Township's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the Township's major program. However, our audit does not provide a legal determination of the Township's compliance.

Opinion on the Major Federal Program

In our opinion, Delhi Township complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2020.

Report on Internal Control Over Compliance

The Township's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Township's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Township's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the cash balances, receipts and disbursements for each governmental and proprietary fund type combined total of Delhi Township (the Township) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements. We issued our unmodified report thereon dated July 21, 2021 wherein we noted the Township followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the Township. We conducted our audit to opine on the Township's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Delhi Township
Hamilton County
Independent Auditor's Report on Compliance With Requirements
Applicable to the Major Federal Program and on Internal Control
Over Compliance Required by the Uniform Guidance
Page 3

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

Keith Faber
Auditor of State
Columbus, Ohio
July 21, 2021

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**DELHI TOWNSHIP
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2020-2019**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	COVID-19 Coronavirus Relief Fund: 21.019
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS [AND QUESTIONED COSTS]
2 CFR 200.511(b)
DECEMBER 31, 2020-2019**

Finding Number	Finding Summary	Status	Additional Information
2018-001	Approved Budgetary amounts were not accurately posted to the accounting system and not properly reported in the notes to the financial statements.	Fully Corrected	

OHIO AUDITOR OF STATE KEITH FABER



DELHI TOWNSHIP

HAMILTON COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 8/5/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov