



**LAWRENCE TOWNSHIP JOINT RECREATION DISTRICT  
TUSCARAWAS COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2001-2000**



**JIM PETRO**  
**AUDITOR OF STATE**  

---

**STATE OF OHIO**



LAWRENCE TOWNSHIP JOINT RECREATION DISTRICT  
TUSCARAWAS COUNTY

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Report of Independent Accountants .....	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balance - General Fund For the Years Ended December 31, 2001 and 2000 .....	3
Notes to the Financial Statements .....	5
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	9
Schedule of Prior Audit Findings .....	11

**This page intentionally left blank.**



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW  
Fourth Floor  
Canton, Ohio 44702  
Telephone 330-438-0617  
800-443-9272  
Facsimile 330-471-0001  
www.auditor.state.oh.us

**REPORT OF INDEPENDENT ACCOUNTANTS**

Lawrence Township Joint Recreation District  
Tuscarawas County  
P.O. Box 100  
Bolivar, Ohio 44612

To the Board of Trustees:

We have audited the accompanying financial statements of the Lawrence Township Joint Recreation District, Tuscarawas County, Ohio, (the District) as of and for the years ended December 31, 2001 and 2000. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 audits 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 audits provide a reasonable basis for our opinion.

As discussed in Note 1, the District 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 fund cash balances and reserves for encumbrances of the District as of December 31, 2001 and 2000, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 1, 2002, on our consideration of the District'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 audits.

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

**Jim Petro**  
Auditor of State

April 1, 2002

**LAWRENCE TOWNSHIP JOINT RECREATION DISTRICT  
TUSCARAWAS COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - GENERAL FUND  
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000**

	<b>2001</b>	<b>2000</b>
<b>Cash Receipts:</b>		
Local Taxes	\$27,907	\$26,760
Intergovernmental	2,919	5,845
Pool	20,784	19,138
Concession	8,766	7,803
Interest	69	222
Miscellaneous	162	47
Total Cash Receipts	60,607	59,815
<b>Cash Disbursements:</b>		
Current:		
Salaries and Benefits	27,417	27,516
Administrative Supplies and Equipment	4,600	318
Insurance	3,617	2,908
Auditor Fees	507	4,324
Pool Supplies and Equipment	3,443	13,220
Concession Supplies	5,003	3,154
Maintenance Supplies and Equipment	4,449	11,686
Utilities	8,497	6,743
Miscellaneous	1,402	3,435
Total Cash Disbursements	58,935	73,304
Total Cash Receipts Over/(Under) Cash Disbursements	1,672	(13,489)
Fund Cash Balances, January 1	531	14,020
<b>Fund Cash Balances, December 31</b>	<b>\$2,203</b>	<b>\$531</b>
Reserves for Encumbrances, December 31	\$685	\$176

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

**This page intentionally left blank.**



**LAWRENCE TOWNSHIP JOINT RECREATION DISTRICT  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Lawrence Township Joint Recreation District, Tuscarawas County, (District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is directed by a six-member Board of Trustees appointed by the Villages of Bolivar and Zoar and Lawrence Township. The District provides maintenance and supervision of leisure time activities within Lawrence Township.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when they are earned. Disbursements are recognized when they are 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**

During 2001 and 2000, all District funds were maintained in an interest-bearing checking account.

**D. Fund Accounting**

The District uses fund accounting to segregate cash that is restricted as to use. The General Fund is the only operating fund of the District. It is used to account for all financial resources.

**E. Budgetary Process**

The Ohio Revised Code requires the General Fund be budgeted annually.

**1. 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. The County Budget Commission must also approve the Annual Appropriation Measure. 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.

**LAWRENCE TOWNSHIP JOINT RECREATION DISTRICT  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Encumbrances**

The Ohio Revised Code requires the District to reserve (encumber) appropriations when commitments are made. The District did not use the encumbrance method of accounting.

A summary of 2001 and 2000 budgetary activity appears in Note 3.

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as disbursements (capital outlay) when paid. These items are not reflected as assets in the financial statements.

**2. CASH**

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amounts of cash at December 31, 2001 and 2000 was \$2,203 and \$531, respectively. District monies were maintained in demand deposits.

Deposits are insured by the Federal Depository Insurance Corporation.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2001 and 2000 was as follows:

2001 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$60,177	\$60,607	\$430

2001 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$60,710	\$59,620	\$1,090

**LAWRENCE TOWNSHIP JOINT RECREATION DISTRICT  
TUSCARAWAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2001 AND 2000  
(Continued)**

**3. BUDGETARY ACTIVITY (Continued)**

2000 Budgeted vs. Actual Receipts

<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$59,762	\$59,815	\$53

2000 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$73,827	\$73,480	\$347

**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 District.

**5. RETIREMENT SYSTEM**

All 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 post-retirement 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 2001 and 2000, PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries for 2001 and from January 1, 2000 through June 30, 2000. PERS temporarily reduced the employer contribution rate to 8.13% effective July 1, 2000 through December 31, 2000. The District has paid all contributions required through December 31, 2001.

**6. RISK MANAGEMENT**

The District obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Public official's liability

**This page intentionally left blank.**



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW  
Fourth Floor  
Canton, Ohio 44702  
Telephone 330-438-0617  
800-443-9272  
Facsimile 330-471-0001  
www.auditor.state.oh.us

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

Lawrence Township Joint Recreation District  
Tuscarawas County  
P.O. Box 100  
Bolivar, Ohio 44612

To the Board of Trustees:

We have audited the financial statements of the Lawrence Township Joint Recreation District, Tuscarawas County, Ohio, (the District) as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated April 1, 2002. We conducted our audits 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 District'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 audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

However, we noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated April 1, 2002.

**Internal Control Over Financial Reporting**

In planning and performing our audits, we considered the District'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.

Lawrence Township Joint Recreation District  
Tuscarawas County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated April 1, 2002.

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

**Jim Petro**  
Auditor of State

April 1, 2002

**LAWRENCE TOWNSHIP JOINT RECREATION DISTRICT  
TUSCARAWAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2001 AND 2000**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Fully Corrected?</b>	<b>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain</b>
1999-41279-001	District expenditures were not certified in accordance with Ohio Rev. Code Section 5705.41 (D)	No	Partially corrected. During 2000 and 2001, the District had a total of 13 instances (~9%) where expenditures were not certified compared to 100% during the prior audit period. Finding is no longer valid.
1999-41279-002	The Clerk did not compare actual expenditures plus outstanding encumbrances to appropriations at the legal level of control to avoid potential overspending in accordance with Ohio Rev. Code Section 5705.41 (B)	Yes	Corrected. Finding is no longer valid.
1999-41279-003	The Clerk did not frequently submit monthly reports to the Board for review and approval	Yes	Finding no longer valid. Monthly reports prepared by the Clerk were submitted every month to the Board for approval.
1999-41279-004	The District's reports did not reflect budgetary information which prevented the Board from monitoring the budget status	Yes	Finding no longer valid. Monthly reports submitted to the Board include budgetary information.

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
1999-41279-005	The Board had not adopted a formal organizational chart or written job descriptions for the Clerk and Pool Manager	Yes	Finding no longer valid. The Board approved a Policies and Procedures Manual which included an organizational chart and formal written job descriptions for the Clerk and Pool Manager.
1999-41279-006	The Pool Manager did not issue duplicate receipts or monitor sales of seasonal pool passes, daily pool passes, swimming lessons, pool rentals. The Pool Manager also did not reconcile daily concession receipts to register tapes	Yes	Finding no longer valid. Duplicate receipt books were maintained by the Pool Manager and Daily Pool Cash Summary Sheets were reconciled to register tapes.
1999-41279-007	The Pool Manager was not bonded	Yes	Finding no longer valid. Insurance policy includes a \$10,000 limit on employee theft for each instance.





STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

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

**LAWRENCE TOWNSHIP JOINT RECREATION DISTRICT**

**TUSCARAWAS 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 9, 2002**