



**Auditor of State
Betty Montgomery**

**ANDERSON TOWNSHIP PARK DISTRICT
HAMILTON COUNTY**

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Anderson Township Park District
Hamilton County
8249 Clough Pike
Cincinnati, Ohio 45244

To the Board of Commissioners:

We have audited the accompanying financial statements of Anderson Township Park District, Hamilton County, Ohio (the District), as of and for the years ended December 31, 2003 and 2002. 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the 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 combined fund cash balances and reserves for encumbrances of the District as of December 31, 2003 and 2002, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2005 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 audit.

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

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

Betty Montgomery
Auditor of State

January 11, 2005

**ANDERSON PARK DISTRICT
HAMILTON COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2003**

	General	Debt Service	Totals (Memorandum Only)
Cash Receipts:			
Taxes	\$2,046,074	\$0	\$2,046,074
Intergovernmental	377,502		377,502
Investment Income	27,161		27,161
Charges for Services	428,727		428,727
Fines, Licenses, and Permits	35,672		35,672
Other Receipts	195,835		195,835
Total Cash Receipts	<u>3,110,971</u>	<u>0</u>	<u>3,110,971</u>
Cash Disbursements:			
Current:			
General Government	65,582		65,582
Public Safety	18,034		18,034
Public Works	103,020		103,020
Health	111,650		111,650
Human Services	270,507		270,507
Personal Services	1,338,453		1,338,453
Supplies and Materials	339,783		339,783
Contracts - Services	62,088		62,088
Capital Outlay	899,514		899,514
Debt:			
Payment of Principal	130,635	504,014	634,649
Payment of Interest	17,806	151,023	168,829
Other	219,396		219,396
Total Cash Disbursements	<u>3,576,468</u>	<u>655,037</u>	<u>4,231,505</u>
Total Receipts Over/(Under) Disbursements	<u>(465,497)</u>	<u>(655,037)</u>	<u>(1,120,534)</u>
Other Financing Receipts/(Disbursements):			
Transfers-In		655,037	655,037
Transfers-Out	(655,037)	0	(655,037)
Total Other Financing Receipts/(Disbursements)	<u>(655,037)</u>	<u>655,037</u>	<u>0</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(1,120,534)	0	(1,120,534)
Fund Cash Balances, January 1	<u>2,500,006</u>	<u>65,000</u>	<u>2,565,006</u>
Fund Cash Balances, December 31	<u>\$1,379,472</u>	<u>\$65,000</u>	<u>\$1,444,472</u>
Reserves for Encumbrances, December 31	<u>\$823,637</u>	<u>\$0</u>	<u>\$823,637</u>

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

**ANDERSON PARK DISTRICT
HAMILTON COUNTY**

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

	General	Debt Service	Totals (Memorandum Only)
Cash Receipts:			
Taxes	\$2,010,148	\$0	\$2,010,148
Intergovernmental	269,606		269,606
Investment Income	18,561		18,561
Charges for Services	485,948		485,948
Fines, Licenses, and Permits	49,582		49,582
Other Receipts	192,478		192,478
Total Cash Receipts	<u>3,026,323</u>	<u>0</u>	<u>3,026,323</u>
Cash Disbursements:			
Current:			
General Government	116,123		116,123
Public Safety	19,022		19,022
Public Works	86,671		86,671
Health	118,965		118,965
Human Services	247,921		247,921
Personal Services	1,323,798		1,323,798
Supplies and Materials	342,258		342,258
Contracts - Services	136,683		136,683
Capital Outlay	216,230		216,230
Debt:			
Payment of Principal	145,523	406,292	551,815
Payment of Interest	2,918	94,520	97,438
Other	225,912		225,912
Total Cash Disbursements	<u>2,982,024</u>	<u>500,812</u>	<u>3,482,836</u>
Total Receipts Over/(Under) Disbursements	<u>44,299</u>	<u>(500,812)</u>	<u>(456,513)</u>
Other Financing Receipts/(Disbursements):			
Proceeds of Bonds	2,500,061		2,500,061
Transfers-In		565,812	565,812
Transfers-Out	(565,812)	0	(565,812)
Total Other Financing Receipts/(Disbursements)	<u>1,934,249</u>	<u>565,812</u>	<u>2,500,061</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	1,978,548	65,000	2,043,548
Fund Cash Balances, January 1	<u>521,458</u>	<u>0</u>	<u>521,458</u>
Fund Cash Balances, December 31	<u>\$2,500,006</u>	<u>\$65,000</u>	<u>\$2,565,006</u>
Reserves for Encumbrances, December 31	<u>\$111,138</u>	<u>\$0</u>	<u>\$111,138</u>

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

**ANDERSON TOWNSHIP PARK DISTRICT
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2003**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Anderson Township Park District, Hamilton County, Ohio (the 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 five-member Board of Commissioners appointed by the Anderson Township Trustees. The District acquires lands for park expansion. Services provided by the District include general maintenance of park facilities and operation of park related activities.

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 earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

C. Cash and Investments

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

The investment in STAROhio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

D. Fund Accounting

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

1. General Fund

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

**ANDERSON TOWNSHIP PARK DISTRICT
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2003
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Debt Service Funds

The debt service fund is used to accumulate resources for the payment of bonds and note indebtedness. The District had the following significant Debt Service Funds:

Bond 1997 Fund – This fund receives property tax revenue from the county transferred from the General Fund for principal and interest payments on the 1997 Land Acquisition Bonds.

Bond 2002 Fund – The fund receives property tax revenue from the county transferred from the General Fund for principal and interest payments on the 2002 Park Improvement Bonds.

E. Budgetary Process

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

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund level of control, and appropriations may not exceed estimated resources. Appropriation Authority includes current year appropriations plus encumbrances carried over from the prior year (if any). The Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1.

3. Encumbrances

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

A summary of 2003 and 2002 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

G. Accumulated Leave

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

**ANDERSON TOWNSHIP PARK DISTRICT
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2003
(Continued)**

2. EQUITY IN POOLED CASH AND INVESTMENTS

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

	2003	2002
Demand deposits	\$1,312,229	\$2,434,217
STAR Ohio - Investment	132,243	130,789
Total deposits and investment	\$1,444,472	\$2,565,006

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation, or (2) collateralized by the financial institution's public entity deposit pool.

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2003 and 2002 follows:

2003 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,622,005	\$3,110,971	\$488,966
Debt Service	655,037	655,037	0
Total	\$3,277,042	\$3,766,008	\$488,966

2003 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$5,184,139	\$5,055,142	\$128,997
Debt Service	655,037	655,037	\$0
Total	\$5,839,176	\$5,710,179	\$128,997

2002 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$5,231,625	\$5,526,384	\$294,759
Debt Service	565,813	565,812	(1)
Total	\$5,797,438	\$6,092,196	\$294,758

**ANDERSON TOWNSHIP PARK DISTRICT
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2003
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$5,675,366	\$3,658,974	\$2,016,392
Debt Service	565,813	500,813	\$65,000
Total	\$6,241,179	\$4,159,787	\$2,081,392

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 Park Commissioners. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

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. DEBT

Debt outstanding at December 31, 2003:

	Principal	Interest Rate
General Obligation Bonds 1997	600,000	5.15%
General Obligation Bonds 1998	485,724	5.17%
General Obligation Bonds 1998	240,089	5.38%
General Obligation Bonds 2002	2,150,000	variable
Forerunner, Tractor & laser Grading Unit Lease	24,661	3.89%
Phone System & Toro Dino Landscaper Lease	43,629	3.96%
Wheeler Loader with Attachments	58,320	4.18%
Track Hoe Excavator & Bulldozer	174,476	4.31%
Total	\$3,776,899	

The District issued a General Obligation Land Acquisition Bond on March 27, 1997, in the amount of \$1,200,000 at 5.1% for a term of fifteen years for the acquisition of real property for the District. Interest and principal payments are due semi-annually to the Fifth Third Bank. The bonds are collateralized by the property.

The District issued a General Obligation Park Improvement and Land Acquisition Bond on July 22, 1998 and November 5, 1998, in the amounts of \$320,000 and \$650,000 respectively, at 5.38% and 5.17% respectively for a term of fifteen years to improve the parks and to acquire additional park land. Interest and principal payments are due semi-annually to Firststar Bank, which merged with US Bank during the audit period. The bonds are collateralized by the property.

**ANDERSON TOWNSHIP PARK DISTRICT
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2003
(Continued)**

5. DEBT (Continued)

The District issued a General Obligation Park Improvement Bond on September 2, 2002 in the amount of \$2,500,000 at 2.8% - 3.6% for a term of seven years to improve the parks. Interest and principal payments are due semi-annually to Fifth Third Bank. The bonds are collateralized by the property.

The District leased a 2002 Toyota Forerunner, a John Deere Tractor, and Laser Grading Unit in the total amount of \$74,017 for thirty-six months at 3.89%. Interest and principal payments in the amount of \$25,584 are due annually to Fifth-Third Bank.

The District leased a phone system for the Administrative offices and a Toro Dino Landscaper in the total amount of \$87,322 for forty-eight months at 3.96%. Interest and principal payments in the amount of \$23,102 are due annually to Fifth-Third Bank.

The District leased a Wheel Loader with Attachments in the total amount of \$97,305 for sixty months at 4.18%. Interest and principal payments in the amount of \$21,063 are due annually to Fifth-Third Bank.

The District leased a track hoe, excavator, and bulldozer in the total amount of \$262,092 for seventy-two months at 4.31%. Interest and principal payments in the amount of \$48,350 are due annually to Fifth-Third Bank.

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

Year ending December 31:	General Obligation Bonds 1997	General Obligation Bonds 1998	General Obligation Bonds 1998	General Obligation Bonds 2002
2004	129,225	62,817	31,358	416,687
2005	124,075	62,817	31,358	407,587
2006	118,925	62,817	31,358	397,963
2007	113,775	62,817	31,358	387,638
2008	35,500	62,817	31,357	401,438
2009 - 2013	200,900	314,085	141,108	388,500
Total	<u>\$722,400</u>	<u>\$628,170</u>	<u>\$297,897</u>	<u>\$2,399,813</u>

Year ending December 31:	Forerunner Tractor, Laser Grading Lease	Phone System Toro Dingo Lease	Wheeler Loader Lease	Track Hoe Excavator Dozer Lease
2004	25,584	23,102	21,063	48,350
2005		23,102	21,063	48,350
2006			21,063	48,350
2007				48,350
Total	<u>\$25,584</u>	<u>\$46,204</u>	<u>\$63,189</u>	<u>\$193,400</u>

**ANDERSON TOWNSHIP PARK DISTRICT
HAMILTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2003
(Continued)**

6. RETIREMENT SYSTEM

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

Contribution rates are also prescribed by the Ohio Revised Code. Members of PERS contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries. The District has paid all contributions required through December 31, 2003.

7. RISK MANAGEMENT

Risk Pool Membership

The District belongs to the Ohio Government Risk Management Plan (the "Plan"), an unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to approximately 500 Ohio governments ("Members").

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is a separate legal entity. The Plan provides property, liability, errors and omissions, law enforcement, automotive, excess liability, crime, surety and bond, inland marine and other coverages, modified for each member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the Member's deductible.

The Plan issues its own policies and reinsures with A-VII or better rated carriers, except for a 5% portion the Plan retains. With policies effective September 1, 2003 and after, The Plan pays the lesser of 5% or \$25,000 for casualty losses up to the coverage limit and the lesser of 5% or \$50,000 for property losses up to the coverage limit. The individual members are only responsible for their self-retention (deductible) amounts which vary from member to member.

The Pool's financial statements (audited by other auditors) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31:

	2003	2002
Assets	\$ 5,402,167	\$ 5,584,592
Liabilities	(1,871,123)	(2,441,793)
Member's Equity	\$ 3,531,044	\$ 3,142,799

You can read the complete audited financial statements for The Ohio Government Risk Management at the Plan's website, www.ohioplan.org.



Auditor of State Betty Montgomery

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

Anderson Township Park District
Hamilton County
8249 Clough Pike
Cincinnati, Ohio 45244

To the Board of Commissioners:

We have audited the accompanying financial statements of Anderson Township Park District, Hamilton County, Ohio (the District), as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated January 11, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the 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 audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated January 11, 2005.

Internal Control Over Financial Reporting

In planning and performing our audit, 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. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated January 11, 2005.

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

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

Betty Montgomery
Auditor of State

January 11, 2005



**Auditor of State
Betty Montgomery**

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Columbus, Ohio 43216-1140

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**ANDERSON TOWNSHIP PARK DISTRICT
HAMILTON 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
FEBRUARY 10, 2005**