



**BEAVERCREEK TOWNSHIP PARK DISTRICT  
GREENE COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 1999-1998**



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

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**STATE OF OHIO**



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## REPORT OF INDEPENDENT ACCOUNTANTS

Beavercreek Township Park District  
Greene County  
1981 Dayton-Xenia Road  
Beavercreek, Ohio 45434

To the Board of Commissioners:

We have audited the accompanying financial statements of the Beavercreek Township Park District, Greene County, Ohio, (the District) as of and for the years ended December 31, 1999 and 1998. 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 generally accepted auditing standards 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 fund cash balances of the District as of December 31, 1999 and 1998, 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 March 29, 2000 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.

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.

**Jim Petro**  
Auditor of State

March 29, 2000



**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Type</u>		<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Intergovernmental	\$74,165	\$0	\$74,165
Investment Income	506	0	506
Gifts and Donations	0	8,749	8,749
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	74,671	8,749	83,420
	<hr/>	<hr/>	<hr/>
<b>Cash Disbursements:</b>			
General Government	8,113	621	8,734
Conservation & Recreation	14,712	8,023	22,735
Capital Outlay	60,782	15,870	76,652
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	83,607	24,514	108,121
	<hr/>	<hr/>	<hr/>
Total Receipts Over/(Under) Disbursements	(8,936)	(15,765)	(24,701)
	<hr/>	<hr/>	<hr/>
Fund Cash Balances, January 1	59,921	16,355	76,276
	<hr/>	<hr/>	<hr/>
<b>Fund Cash Balances, December 31</b>	<u>\$50,985</u>	<u>\$590</u>	<u>\$51,575</u>

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

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>Governmental Fund Type</u>		<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	
<b>Cash Receipts:</b>			
Intergovernmental	\$114,700	\$0	\$114,700
Investment Income	673	0	673
Gifts and Donations	0	30,589	30,589
Other Receipts	4,073	0	4,073
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	119,446	30,589	150,035
<b>Cash Disbursements:</b>			
General Government	14,157	983	15,140
Conservation & Recreation	43,865		43,865
Capital Outlay	70,754	13,251	84,005
	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	128,776	14,234	143,010
Total Receipts Over/(Under) Disbursements	<hr/> (9,330)	<hr/> 16,355	<hr/> 7,025
Fund Cash Balances, January 1	<hr/> 69,251	<hr/> 0	<hr/> 69,251
<b>Fund Cash Balances, December 31</b>	<hr/> <u>\$59,921</u>	<hr/> <u>\$16,355</u>	<hr/> <u>\$76,276</u>

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



**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Beavercreek Township Park District, Greene County, (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 three-member Board of Commissioners appointed by the probate judge of Greene County. The District acquires lands for conversion into forest reserves and for the conservation of the natural resources, including streams, lakes, submerged lands and swamp lands. The Board may also create parks, parkways, and other reservations and may afforest, develop, improve and protect and promote the use of same as the Board deems conducive to the general welfare.

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.

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

**C. Cash**

All cash owned by the District is held in two checking accounts. The accounts are valued at cost.

**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.

**2. Special Revenue Fund**

This fund is used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The District had the following Special Revenue Fund:

Donation Fund- This fund was established in 1998 and is utilized to accumulate donations received for the construction of a memorial dedicated to the memory of eight girl scouts and two adult leaders who were killed in a car-train collision in 1959 near the site of the memorial.

**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999 AND 1998**  
**(Continued)**

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

**E. 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.

**2. EQUITY IN POOLED CASH**

The District maintains two separate checking accounts. One account is used to account for all activities of the General Fund. The other account is used to account for all activities of the Special Revenue Fund. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31 was as follows:

	<b>1999</b>	<b>1998</b>
Demand deposits	\$51,575	\$76,276

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

**3. INTERGOVERNMENTAL REVENUE**

The District receives local government revenue and local government revenue assistance from the County. The County is responsible for collecting and distributing this revenue to the District.

Beavercreek Township provides annual assistance to the District. In 1998, this assistance was \$25,000. In 1999, this assistance was \$35,000. Additionally, the Township contributed \$50,000 in 1999 for the development of Community Park, which is owned by the Park District.

The District was the recipient of grant funding from Greene County and the State of Ohio Nature Works program.

**4. RISK MANAGEMENT**

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Errors and Omissions

**5. CONTINGENT LIABILITIES**

Amounts received from grantor agencies are subject to audit and adjustment by the grantor. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

**6. SUBSEQUENT EVENTS**

Effective January 1, 2000, the Board employed a Park Manager. The duties of the Park Manager will include, but not be limited to, ensuring rules are followed at the parks, managing park assets, pursuing grant opportunities, participating in Park Board activities and being familiar with financial management procedures. This employee will be paid at a rate of \$13,000 annually.



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

Beavercreek Township Park District  
Greene County  
1981 Dayton-Xenia Road  
Beavercreek, Ohio 45434

To the Board of Commissioners:

We have audited the accompanying financial statements of the Beavercreek Township Park District, Greene County, Ohio, (the District), as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated March 29, 2000. We conducted our audit in accordance with generally accepted auditing standards 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 certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated March 29, 2000.

**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. However, we noted a matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings as item 1999-40329-001.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses.

However, we believe that the reportable condition described above is not a material weakness. We also 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 March 29, 2000.

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

**Jim Petro**  
Auditor of State

March 29,2000

**SCHEDULE OF FINDINGS  
DECEMBER 31, 1999 AND 1998**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 1999-40329-001**

The District did not maintain supporting documentation for nine disbursements in the General Fund. Additionally, the District's Treasurer was not in possession of most of the documentation to support the disbursements written from the Donation Fund. Additional procedures located documentation for all but one of the Donation account disbursements.

Failure to maintain documentation to support the disbursement of funds could allow improper expenditures to be made and does not provide adequate accountability over the expenditure of funds. To help ensure that all disbursements are for a proper public purpose and are adequately supported, the District should receive and maintain detailed vendor invoices to support all disbursement transactions.





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**BEAVERCREEK TOWNSHIP PARK DISTRICT**

**GREENE 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 2, 2000**