



**BELMONT PARK DISTRICT
BELMONT COUNTY**

INITIAL AUDIT

**FOR THE YEARS ENDED
DECEMBER 31, 1999, 1998 AND 1997**



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**BELMONT PARK DISTRICT
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REPORT OF INDEPENDENT ACCOUNTANTS

Belmont Park District
Belmont County
Belmont County Courthouse
100 Main Street
St. Clairsville, Ohio 43950

To the Park District Board:

We have audited the accompanying financial statement of the Belmont Park District, Belmont County, Ohio, (the Park District) as of and for the years ended December 31, 1999, 1998 and 1997. The financial statement is the responsibility of the Park District's management. Our responsibility is to express an opinion on the financial statement 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 Park District prepares its financial statement 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 statement referred to above presents fairly, in all material respects, the cash balance of the Belmont Park District, Belmont County, as of December 31, 1999, 1998 and 1997, 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 August 11, 2000 on our consideration of the Park 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, the Park District Board 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.

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Jim Petro
Auditor of State

August 11, 2000

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**BELMONT PARK DISTRICT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCE
FOR THE YEARS ENDED DECEMBER 31, 1999, 1998 AND 1997**

	<u>1999</u>	<u>1998</u>	<u>1997</u>
Cash Receipts:			
Intergovernmental Revenue	\$44,383	\$90,032	\$10,341
Earning on Investments	699	423	66
Total Cash Receipts	<u>45,082</u>	<u>90,455</u>	<u>10,407</u>
Cash Disbursements:			
Capital Outlay	35,673	78,459	2,775
Miscellaneous	574	916	205
Total Cash Disbursements	<u>36,247</u>	<u>79,375</u>	<u>2,980</u>
Total Receipts Over/(Under) Disbursements	<u>8,835</u>	<u>11,080</u>	<u>7,427</u>
Cash Balance, January 1	<u>18,507</u>	<u>7,427</u>	<u>0</u>
Cash Balance, December 31	<u><u>\$27,342</u></u>	<u><u>\$18,507</u></u>	<u><u>\$7,427</u></u>

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

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**BELMONT PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 1999, 1998 AND 1997**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Belmont Park District, Belmont County, (the Park 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 Park District is directed by a three-member Park Board appointed by the probate judge of Belmont County. The Park District was formed to develop the new Belmont County Fairgrounds.

The Park District's management believes these financial statements present all activities for which the Park 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. Budgetary Process

The Ohio Revised Code requires the Park District to budget annually.

1. Appropriations

Budgetary expenditures (that is, disbursements) may not exceed appropriations at the fund, function, or object level of control and appropriations may not exceed estimated resources. The Board must annually approve appropriation measures and subsequent amendments.

2. Estimated Resources

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

3. Encumbrances

The Ohio Revised Code requires the Park District to reserve (encumber) appropriations when commitments are made. The Park District did not use the encumbrance method of accounting. House Bill 262, effective June 2000 requires the Park District to follow Ohio Revised Code Section 5705.41, concerning the prior certification of expenditures.

A summary of 1999, 1998 and 1997 budgetary activity appears in Note 3.

D. Property, Plant and Equipment

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

**BELMONT PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 1999, 1998 AND 1997
(Continued)**

2. EQUITY IN POOLED CASH

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31 was as follows:

	<u>1999</u>	<u>1998</u>	<u>1997</u>
Demand deposits	<u>\$27,342</u>	<u>\$18,507</u>	<u>\$7,427</u>

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

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 1999, 1998 and 1997 follows:

1999 Budgeted vs. Actual Receipts

<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
<u>\$ 91,000</u>	<u>\$ 45,082</u>	<u>\$ (45,918)</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
<u>\$ 90,067</u>	<u>\$ 36,247</u>	<u>\$ 53,820</u>

1998 Budgeted vs. Actual Receipts

<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
<u>\$ 112,000</u>	<u>\$ 90,455</u>	<u>\$ (21,545)</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures

<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
<u>\$ 111,945</u>	<u>\$ 79,375</u>	<u>\$ 32,570</u>

1997 Budgeted vs. Actual Receipts

<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
<u>\$ 100,000</u>	<u>\$ 10,407</u>	<u>\$ (89,593)</u>

**BELMONT PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 1999, 1998 AND 1997
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

1997 Budgeted vs. Actual Budgetary Basis Expenditures

Appropriation Authority	Budgetary Expenditures	Variance
\$ 100,000	\$ 2,980	\$ 97,020

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Park District Council. 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 Park District.

5. RISK MANAGEMENT

The Park District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Errors and omissions

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

Belmont Park District
Belmont County
Belmont County Courthouse
100 Main Street
St. Clairsville, Ohio 43950

To the Park District Board:

We have audited the accompanying financial statement of the Belmont Park District, Belmont County, Ohio, (the Park District) as of and for the years ended December 31, 1999, 1998 and 1997, and have issued our report thereon dated August 11, 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 Park District's financial statement is 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 a certain immaterial instance of noncompliance that we have reported to management of the Park District in a separate letter dated August 11, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Park District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement 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 Park District in a separate letter dated August 11, 2000.

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

August 11, 2000



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OFFICE OF THE AUDITOR

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BELMONT PARK DISTRICT

BELMONT 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
OCTOBER 12, 2000