



**CENTERVILLE-WASHINGTON PARK DISTRICT
MONTGOMERY COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**CENTERVILLE-WASHINGTON PARK DISTRICT
MONTGOMERY COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 2000	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 1999	4
Notes to the Financial Statements	5
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	11

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REPORT OF INDEPENDENT ACCOUNTANTS

Centerville-Washington Park District
Montgomery County
221 North Main Street
Centerville, Ohio 45459

To the Board of Commissioners:

We have audited the accompanying financial statements of Centerville-Washington Park District, Montgomery County, (the District) as of and for the years ended December 31, 2000 and 1999. 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 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, 2000 and 1999, 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 June 15, 2001 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 Section 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

June 15, 2001

**CENTERVILLE-WASHINGTON PARK DISTRICT
MONTGOMERY COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Governmental Fund Type</u>			Totals (Memorandum Only)
	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
Cash Receipts:				
General Property Tax - Real Estate	\$2,155,725			\$2,155,725
Intergovernmental Revenue	276,946			276,946
Gift and donations	56,570			56,570
Program Income	66,042			66,042
Depository Interest	169,771			169,771
Other Receipts	16,467			16,467
Total Cash Receipts	2,741,521			2,741,521
Cash Disbursements:				
Current:				
Salaries - Employees	739,895			739,895
Improvements	409,310			409,310
Operations	349,607			349,607
Equipment	162,012			162,012
Professional Services	30,202			30,202
Utilities & Fees	122,879			122,879
Office operations	20,542			20,542
Program/Recreation	95,540			95,540
Capital Outlay			\$362,868	362,868
Public Employees Retirement	77,904			77,904
Workers' Compensation	7,590			7,590
Unemployment Compensation	724			724
Debt:				
Payment of Principal		\$270,000		270,000
Payment of Interest		102,680		102,680
Other	86,520			86,520
Total Cash Disbursements	2,102,725	372,680	362,868	2,838,273
Total Receipts Over/(Under) Disbursements	638,796	(372,680)	(362,868)	(96,752)
Other Financing Receipts/(Disbursements):				
Transfers-In		372,680	168,296	540,976
Transfers-Out	(540,976)			(540,976)
Total Other Financing Receipts/(Disbursements)	(540,976)	372,680	168,296	
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	97,820		(194,572)	(96,752)
Fund Cash Balances, January 1	973,415		2,144,718	3,118,133
Fund Cash Balances, December 31	\$1,071,235	\$0	\$1,950,146	\$3,021,381
Reserves for Encumbrances, December 31	\$291,068	\$0	\$31,131	\$322,199

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

**CENTERVILLE-WASHINGTON PARK DISTRICT
MONTGOMERY COUNTY**

**COMBINED 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>			Totals (Memorandum Only)
	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
Cash Receipts:				
General Property Tax - Real Estate	\$2,108,230			\$2,108,230
Intergovernmental Revenue	270,209			270,209
Gifts and Donations	15,688			15,688
Program Income	70,738			70,738
Fees in Lieu of Parkland			\$3,103	3,103
Depository Interest	170,480			170,480
Other Receipts	18,929			18,929
Total Cash Receipts	<u>2,654,274</u>		<u>3,103</u>	<u>2,657,377</u>
Cash Disbursements:				
Current:				
Salaries - Employees	684,319			684,319
Improvements	278,797			278,797
Operations	354,135			354,135
Equipment	133,321			133,321
Professional Services	50,218			50,218
Utilities & Fees	102,779			102,779
Office operations	23,883			23,883
Program/Recreation	124,775			124,775
Capital outlay			1,036,622	1,036,622
Public Employees Retirement	84,726			84,726
Workers' Compensation	20,208			20,208
Unemployment Compensation	1,902			1,902
Debt:				
Payment of Principal		\$255,000		255,000
Payment of Interest		113,390		113,390
Other	4,375			4,375
Total Cash Disbursements	<u>1,863,438</u>	<u>368,390</u>	<u>1,036,622</u>	<u>3,268,450</u>
Total Receipts Over/(Under) Disbursements	<u>790,836</u>	<u>(368,390)</u>	<u>(1,033,519)</u>	<u>(611,073)</u>
Other Financing Receipts/(Disbursements):				
Transfers-In		368,390	285,216	653,606
Transfers-Out	(653,606)			(653,606)
Total Other Financing Receipts/(Disbursements)	<u>(653,606)</u>	<u>368,390</u>	<u>285,216</u>	
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	137,230		(748,303)	(611,073)
Fund Cash Balances, January 1	836,185		2,893,021	3,729,206
Fund Cash Balances, December 31	<u>\$973,415</u>	<u>\$0</u>	<u>\$2,144,718</u>	<u>\$3,118,133</u>
Reserves for Encumbrances, December 31	<u>\$250,918</u>	<u>\$0</u>	<u>\$310,320</u>	<u>\$561,238</u>

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

**CENTERVILLE-WASHINGTON PARK DISTRICT
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Centerville-Washington Park District, Montgomery 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 Montgomery 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. 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

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

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

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.

**CENTERVILLE-WASHINGTON PARK DISTRICT
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Debt Service Fund

The debt service fund is used to accumulate resources for the payment of bonds and note indebtedness:

3. Capital Project Funds

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The District had the following significant Capital Project Fund:

Park Improvement Fund - This fund received proceeds of general obligation bonds. The proceeds are being used to construct park improvements.

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, function level of control, and appropriations may not exceed estimated resources. The Board must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. 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. The County Budget Commission must also approve estimated resources.

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 2000 and 1999 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. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the District.

**CENTERVILLE-WASHINGTON PARK DISTRICT
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(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:

	<u>2000</u>	<u>1999</u>
Demand deposits	\$1,939,251	\$2,101,174
STAR Ohio	<u>1,082,130</u>	<u>1,016,959</u>
Total deposits and investments	<u><u>\$3,021,381</u></u>	<u><u>\$3,118,133</u></u>

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, 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,636,672	\$2,741,521	\$104,849
Debt Service	372,680	372,680	0
Capital Projects	<u>152,600</u>	<u>168,296</u>	<u>15,696</u>
Total	<u><u>\$3,161,952</u></u>	<u><u>\$3,282,497</u></u>	<u><u>\$120,545</u></u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$3,557,998	\$2,934,769	\$623,229
Debt Service	372,680	372,680	0
Capital Projects	<u>2,297,318</u>	<u>393,999</u>	<u>1,903,319</u>
Total	<u><u>\$6,227,996</u></u>	<u><u>\$3,701,448</u></u>	<u><u>\$2,526,548</u></u>

**CENTERVILLE-WASHINGTON PARK DISTRICT
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,391,997	\$2,654,274	\$262,277
Debt Service	370,390	368,390	(2,000)
Capital Projects	92,000	288,319	196,319
Total	\$2,854,387	\$3,310,983	\$456,596

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$3,260,834	\$2,767,962	\$492,872
Debt Service	368,390	368,390	0
Capital Projects	2,943,022	1,346,942	1,596,080
Total	\$6,572,246	\$4,483,294	\$2,088,952

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.

Public utilities are also taxed on personal and real property located within the District.

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.

**CENTERVILLE-WASHINGTON PARK DISTRICT
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

5. DEBT

Debt outstanding at December 31, 2000 was the following:

	Principal	Interest Rate
General Obligation Bonds	\$1,975,000	4.4-4.75%

The Park District issued a General Obligation Park Improvement Bond on April 1, 1998, in the amount of \$2,500,000 at a variable rate for a term of eight years to improve the parks. Interest and principal payments are due semi-annually to the Fifth Third Bank Cincinnati, Ohio, the Registrar and Paying Agent. The Bonds are collateralized by the taxing authority of the District.

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

Year ending December 31:	General Obligation Bonds
2001	\$376,070
2002	378,530
2003	385,030
2004	385,310
2005	394,733
Subsequent	392,812
Total	\$2,312,485

6. RETIREMENT SYSTEM

The District's full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is 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. For 2000 and 1999, PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries for January 1999 through June 2000 and an amount equal to 8.13% of participants' gross salaries for July 2000 through December 2000. The District has paid all contributions required through December 31, 2000.

**CENTERVILLE-WASHINGTON PARK DISTRICT
MONTGOMERY COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

7. RISK MANAGEMENT

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions

The District also provides health insurance and dental and vision coverage to full-time employees through a private carrier.



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

Centerville-Washington Park District
Montgomery County
221 North Main Street
Centerville, Ohio 45459

To the Board of Commissioners:

We have audited the financial statements of Centerville-Washington Park District, Montgomery County, (the District), as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated June 15, 2001. 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*.

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 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 June 15, 2001.

Centerville-Washington Park District
Montgomery County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

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

Jim Petro
Auditor of State

June 15, 2001



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CENTERVILLE-WASHINGTON PARK DISTRICT

MONTGOMERY 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
JULY 10, 2001**