



**GUERNSEY COUNTY PARK DISTRICT
GUERNSEY COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999 - 1997



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**GUERNSEY COUNTY PARK DISTRICT
GUERNSEY COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

Guernsey County Park District
Guernsey County
P.O. Box 8
Byesville, Ohio 43723

To the Park District Board:

We have audited the accompanying financial statement of the Guernsey County Park District, Guernsey 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 Guernsey County Park District, Guernsey 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 January 5, 2001 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 and 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.

Jim Petro
Auditor of State

January 5, 2001

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GUERNSEY PARK DISTRICT
GUERNSEY COUNTY

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

| | 1999 | 1998 | 1997 |
|---|------------|--------------|--------------|
| Cash Receipts: | | | |
| Grants | \$1,561 | \$ | \$900 |
| Donations | | | 2,000 |
| Intergovernmental Contributions | 16,134 | 13,723 | 7,500 |
| Total Cash Receipts | 17,695 | 13,723 | 10,400 |
| Cash Disbursements: | | | |
| Current: | | | |
| Supplies | 292 | 811 | 275 |
| Materials | 5,392 | 3,923 | 4,395 |
| Equipment | 5,062 | 5,090 | 102 |
| Contracts - Repair | 20 | 50 | |
| Contracts - Services | 6,898 | 4,126 | 5,486 |
| Advertising and Printing | 50 | | 109 |
| Other | 347 | 265 | 321 |
| Total Cash Disbursements | 18,061 | 14,265 | 10,688 |
| Total Receipts Over/(Under) Disbursements | (366) | (542) | (288) |
| Cash Balance, January 1 | 366 | 908 | 1,196 |
| Cash Balance, December 31 | \$0 | \$366 | \$908 |

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

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**GUERNSEY COUNTY PARK DISTRICT
GUERNSEY COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Guernsey County Park District, Guernsey 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, which shall encompass the total of Guernsey County, or any part of Guernsey County, is directed by a three-member Park Board appointed by the probate judge of Guernsey County. The Board may 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 Park District's management believes the financial statement presents all activities for which the Park District is financially accountable.

B. Basis of Accounting

The financial statement follows 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.

The statement includes adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

The Park District's cash is held and invested by the Jackson Township Clerk, who acts as custodian for the Park District's monies. The Park District's assets are held with the Township, and are valued at the Clerk's reported carrying amount.

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 statement.

2. EQUITY IN POOLED CASH AND INVESTMENTS

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 | \$0 | \$366 | \$908 |

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

3. 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**

Guernsey County Park District
Guernsey County
P.O. Box 8
Byesville, Ohio 43723

To the Park District Board:

We have audited the accompanying financial statement of the Guernsey County Park District, Guernsey 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 January 5, 2001. 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 certain immaterial instances of noncompliance that we have reported to management of the Park District in a separate letter dated January 5, 2001.

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. However, we noted a certain 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 Park District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statement. The reportable condition is described in the accompanying Schedule of Findings as item 1999-61030-001.

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 over financial reporting that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered material weaknesses. However, we believe 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 Park District in a separate letter dated January 5, 2001.

Guernsey County Park District
Guernsey County
Report of Independent Accountants on Compliance and on Internal Control
Required by *Government Auditing Standards*
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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.

Jim Petro
Auditor of State

January 5, 2001

**GUERNSEY COUNTY PARK DISTRICT
GUERNSEY COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 1999, 1998 AND 1997**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 1999-61030-001

Reportable Condition

The Park District was established in September 1985. At that time the Park Board did not appoint a Treasurer, an option provided by Ohio Revised Code Section 1545.22(B). As a result, all funds under the control of a board of park commissioners shall be kept in depositories selected in the manner provided for the deposit of county funds and such deposits shall be secured as provided in the case of county funds. The county treasurer of the county in which the park district is located shall be the custodian of the funds of the board and shall be the ex officio officer of the board. He shall pay the funds out upon the warrant of the county auditor of the county in which the district is located. The county auditor shall be an ex officio officer of the board, and no contract of the board involving the expenditure of money shall become effective until the auditor certifies that there are funds of the board in the custody of the county treasurer and otherwise unappropriated sufficient to provide therefor. The auditor shall draw warrants on the treasurer to disburse the funds of the board upon order of the board, evidenced by the certificate of its secretary.

The Park District maintained a checking account with the secretary appointed as the signatory. In addition, the Park District maintained funds with Jackson Township, Guernsey County. At times, the Township paid Park District bills on-behalf of the Park District. These monies were not maintained with the County Treasurer as provided by the Ohio Revised Code.

We recommend that if the Board of Park Commissioners intend to keep operating as a park district under Ohio Revised Code Section 1545, the Board should follow the provisions of Ohio Revised Code Section 1545. This includes depositing all monies with the County Treasurer and submitting all disbursement documentation to the County Auditor to allow the County Auditor to draw a county warrant to pay the disbursement.



STATE OF OHIO
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GUERNSEY COUNTY PARK DISTRICT

GUERNSEY 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 01, 2001**