



**GEAUGA COUNTY PARK DISTRICT
GEAUGA COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2001 & 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**GEAUGA COUNTY PARK DISTRICT
GEAUGA 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, 2001	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types – For the Year Ended December 31, 2000	4
Notes to the Financial Statements	5
Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	11

This page intentionally left blank.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Lausche Bldg
615 W Superior Ave
Floor 12
Cleveland OH 44113 - 1801
Telephone 216-787-3665
800-626-2297
Facsimile 216-787-3361
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Geauga County Park District
Geauga County
9160 Robinson Road
Chardon, Ohio 44024

To the Board of Park Commissioners:

We have audited the accompanying financial statements of the Geauga County Park District, Geauga County, Ohio, (the District) as of and for the years ended December 31, 2001 and December 31, 2000. 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 audits.

We conducted our audits 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 audits 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 audits provide 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 Geauga County Park District, Geauga County, Ohio, as of December 31, 2001 and December 31, 2000, 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 March 27, 2002 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 audits.

This report is intended solely for the information and use of the audit committee, management, the 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 27, 2002

GEAUGA COUNTY PARK DISTRICT
GEAUGA COUNTY

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001**

	Governmental Fund Type			Totals (Memorandum Only)
	General	Debt Service	Capital Projects	
Cash Receipts:				
General Property Tax - Real Estate	\$4,604,754	\$675,000		\$5,279,754
Tangible Personal Property Tax	520,301			520,301
Intergovernmental	815,080			815,080
Investment Income	51,600	12,780	\$222,197	286,577
Gifts and Donations	10,355		188,652	199,007
Fees	12,257			12,257
Sales	6,600			6,600
Refunds	14,855			14,855
Other Receipts	68,072		737,721	805,793
	<u>6,103,874</u>	<u>687,780</u>	<u>1,148,570</u>	<u>7,940,224</u>
Total Cash Receipts				
Cash Disbursements:				
Current:				
Salaries - Employees	1,621,885			1,621,885
Supplies	79,445			79,445
Materials	98,432			98,432
Equipment	228,996			228,996
Contracts - Repair	19,429		319,362	338,791
Contracts - Services	280,126		991,429	1,271,555
Contracts - Projects			1,797,740	1,797,740
Rentals	150			150
Advertising and Printing	3,811			3,811
Travel	10,344			10,344
Public Employees Retirement	201,167			201,167
Workers' Compensation	8,161			8,161
Hospitalization	206,769			206,769
Debt:				
Payment of Principal		675,000		675,000
Payment of Interest		32,310		32,310
Other	55,236			55,236
	<u>2,813,951</u>	<u>707,310</u>	<u>3,108,531</u>	<u>6,629,792</u>
Total Cash Disbursements				
Total Receipts Over/(Under) Disbursements	<u>3,289,923</u>	<u>(19,530)</u>	<u>(1,959,961)</u>	<u>1,310,432</u>
Other Financing Receipts/(Disbursements):				
Proceeds from Sale of Public Debt:				
Transfers-In		18,183	3,232,800	3,250,983
Transfers-Out	(3,250,983)			(3,250,983)
	<u>(3,250,983)</u>	<u>18,183</u>	<u>3,232,800</u>	<u>0</u>
Total Other Financing Receipts/(Disbursements)				
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	38,940	(1,347)	1,272,839	1,310,432
Fund Cash Balances, January 1, 2001	1,031,448	1,347	3,460,006	4,492,801
Fund Cash Balances, December 31, 2001	<u>\$1,070,388</u>	<u>\$0</u>	<u>\$4,732,845</u>	<u>\$5,803,233</u>
Reserves for Encumbrances, December 3, 2001	<u>\$16,139</u>	<u>\$0</u>	<u>\$2,296,456</u>	<u>\$2,312,595</u>

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

GEAUGA COUNTY PARK DISTRICT
GEAUGA 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**

	Governmental Fund Type			Totals (Memorandum Only)
	General	Debt Service	Capital Projects	
Cash Receipts:				
General Property Tax - Real Estate	\$3,266,016	\$225,000		\$3,491,016
Tangible Personal Property Tax	377,093			377,093
Note Receipts		675,000		675,000
Intergovernmental	566,747			566,747
Investment Income	74,437	16,768	\$145,271	236,476
Gifts and Donations	7,711		312,315	320,026
Fees	19,245			19,245
Refunds	9,666			9,666
Other Receipts	26,056		2,938	28,994
	<u>4,346,971</u>	<u>916,768</u>	<u>460,524</u>	<u>5,724,263</u>
Total Cash Receipts				
Cash Disbursements:				
Current:				
Salaries - Employees	1,338,721			1,338,721
Supplies	70,325			70,325
Materials	66,761			66,761
Equipment	281,246			281,246
Contracts - Repair	14,446			14,446
Contracts - Services	273,979		204,925	478,904
Contracts - Projects			466,981	466,981
Land			121,244	121,244
Rentals	225			225
Advertising and Printing	4,488			4,488
Travel	6,351			6,351
Public Employees Retirement	164,692			164,692
Workers' Compensation	3,819			3,819
Hospitalization	167,701			167,701
Debt:				
Payment of Principal		900,000		900,000
Payment of Interest		38,485		38,485
Other	51,534			51,534
	<u>2,444,288</u>	<u>938,485</u>	<u>793,150</u>	<u>4,175,923</u>
Total Cash Disbursements				
Total Receipts Over/(Under) Disbursements	<u>1,902,683</u>	<u>(21,717)</u>	<u>(332,626)</u>	<u>1,548,340</u>
Other Financing Receipts/(Disbursements):				
Proceeds from Sale of Public Debt:				
Transfers-In		20,173	1,525,500	1,545,673
Transfers-Out	(1,545,673)			(1,545,673)
Total Other Financing Receipts/(Disbursements)	(1,545,673)	20,173	1,525,500	0
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements				
	357,010	(1,544)	1,192,874	1,548,340
Fund Cash Balances, January 1, 2000	674,438	2,891	2,267,132	2,944,461
Fund Cash Balances, December 31, 2000	<u>\$1,031,448</u>	<u>\$1,347</u>	<u>\$3,460,006</u>	<u>\$4,492,801</u>
Reserves for Encumbrances, December 31, 2000	<u>\$3,586</u>	<u>\$0</u>	<u>\$728,113</u>	<u>\$731,699</u>

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

**GEAUGA COUNTY PARK DISTRICT
GEAUGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Geauga County Park District, Geauga 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 three-member Board of Commissioners appointed by the probate judge of Geauga 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

As permitted by the Ohio Revised Code, the Geauga County Treasurer holds the District's cash as custodian for the District. The District's assets are held in the County's cash and investment pool, and are valued at the Treasurer's reported carrying amount.

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. Debt Service Funds

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

Park Board Debt - This fund receives property tax revenue to service the debt.

**GEAUGA COUNTY PARK DISTRICT
GEAUGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

3. Capital Projects 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 Projects Funds:

Park Board Land Improvement Fund - This fund receives proceeds of general obligation bonds. The proceeds are being used to acquire and improve land.

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 or object 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. 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 2001 and 2000 budgetary activity appears in Note 2.

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 vacation and sick leave. Unpaid vacation and sick leave are not reflected as a liability under the cash basis of accounting used by the District.

**GEAUGA COUNTY PARK DISTRICT
GEAUGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

2. BUDGETARY ACTIVITY

Budgetary activity for the years ended 2001 and 2000 follows:

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$7,136,177	\$6,103,874	(\$1,032,303)
Debt Service	707,310	705,963	(1,347)
Capital Projects	7,102,293	4,381,370	(2,720,923)
Total	<u>\$14,945,780</u>	<u>\$11,191,207</u>	<u>(\$3,754,573)</u>

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$6,391,038	\$6,081,073	\$309,965
Debt Service	707,310	707,310	0
Capital Projects	7,334,773	5,404,987	1,929,786
Total	<u>\$14,433,121</u>	<u>\$12,193,370</u>	<u>\$2,239,751</u>

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$4,958,791	\$4,346,971	(\$611,820)
Debt Service	939,831	936,941	(2,890)
Capital Projects	3,775,553	1,986,024	(1,789,529)
Total	<u>\$9,674,175</u>	<u>\$7,269,936</u>	<u>(\$2,404,239)</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$4,540,940	\$3,993,547	\$547,393
Debt Service	938,485	938,485	0
Capital Projects	4,040,928	1,521,263	2,519,665
Total	<u>\$9,520,353</u>	<u>\$6,453,295</u>	<u>\$3,067,058</u>

**GEAUGA COUNTY PARK DISTRICT
GEAUGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

3. 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 with 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.

4. DEBT

Debt outstanding at December 31, 2001:

	<u>Principal</u>	<u>Interest Rate</u>
Tax Anticipation Note	<u>\$675,000</u>	4.80%

The District issued a General Obligation Park Improvement Bond on December 7, 2000, in the amount of \$675,000 at 4.80% for a term of one year to acquire additional park land. Interest and principal payments are due at the end of the note's term to the Huntington National Bank. Notes are collateralized by the taxing authority of the District.

5. 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 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 2001 and 2000, law enforcement employees contributed 9% of their gross salaries. All other full-time employees contributed 8.5% of their gross salaries. The District contributed an amount equal to 16.7% of participants' gross salaries for law enforcement employees and 13.55% of participants' gross salaries for other full-time employees for 2001 and from January 1, 2000 through June 30, 2000. PERS temporarily reduced the employer contribution rate to 14.7% of participants' gross salaries for law enforcement employees and 8.13% of participants' gross salaries for other full-time employees effective July 1, 2000 through December 31, 2000. The District has paid all contributions required through December 31, 2001.

**GEAUGA COUNTY PARK DISTRICT
GEAUGA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000
(Continued)**

6. RISK MANAGEMENT

The District is a member of the Public Entities Pool of Ohio (the Pool). The Pool assumes the risk of loss up to the limits of the District's policy. The Pool may assess supplemental premiums. The following risks are covered by the Pool:

- General liability and casualty
- Public official's liability
- Vehicles
- Comprehensive property and general liability
- Errors and omissions

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

7. CONTINGENT LIABILITIES

The District is defendant in several lawsuits. Although the outcome of these suits is not presently determinable, counsel believes that the resolution of these matters will not materially adversely affect the District's financial condition.

This page intentionally left blank.



**STATE OF OHIO
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

Lausche Bldg
615 W Superior Ave
Floor 12
Cleveland OH 44113 - 1801
Telephone 216-787-3665
800-626-2297
Facsimile 216-787-3361
www.auditor.state.oh.us

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

Geauga County Park District
Geauga County
9160 Robinson Road
Chardon, Ohio 44024

To the Board of Park Commissioners:

We have audited the accompanying financial statements of the Geauga County Park District, Geauga County, Ohio, (the District) as of and for the years ended December 31, 2001 and December 31, 2000, and have issued our report thereon dated March 27, 2002. We conducted our audits 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 audits 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 audits, 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.

Geauga County Park District
Geauga County
Report on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended solely for the information and use of the audit committee, 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.

Jim Petro
Auditor of State

March 27, 2002



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

GEAUGA COUNTY PARK DISTRICT

GEAUGA 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
APRIL 18, 2002**