



**Auditor of State
Betty Montgomery**

**ASHTABULA COUNTY PARK
ASHTABULA COUNTY**

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**Auditor of State
Betty Montgomery**

Ashtabula County Park
Ashtabula County
25 West Jefferson St.
Jefferson, Ohio 44047

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

A handwritten signature in cursive script that reads "Betty Montgomery".

Betty Montgomery
Auditor of State

November 30, 2005

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Ashtabula County Park
Ashtabula County
25 West Jefferson St.
Jefferson, Ohio 44047

To the Board of Trustees:

We have audited the accompanying financial statement of Ashtabula County Park, Ashtabula County, (the Park) as of and for the year ended December 31, 2004. This financial statement is the responsibility of the Park's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Park has prepared this financial statement using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statement of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Revisions to GAAP would require the Park to reformat its financial statement presentation and make other changes effective for the year ended December 31, 2004. Instead of the combined funds the accompanying financial statement presents for 2004, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2004. While the Park does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Park has elected not to reformat its statements.

Since the Park does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statement referred to above for the year ended December 31, 2004, does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Park as of December 31, 2004.

Also, in our opinion, the financial statement referred to above presents fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Park as of December 31, 2004, and its combined cash receipts and disbursements for the year then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Park to include Management's Discussion and Analysis for the year ended December 31, 2004. The Park has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2005, on our consideration of the Park's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

We conducted our audit to opine on the Park's financial statements. The Schedule of Federal Awards Expenditures presents additional information and is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. It is not a required part of the financial statements. We subjected this schedule to the auditing procedures applied in our audit of the Park's financial statements. In our opinion, this information is fairly stated in all material respects in relation to the financial statements taken as a whole.



Betty Montgomery
Auditor of State

November 30, 2005

**ASHTABULA COUNTY PARK
ASHTABULA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL AND SIMILAR FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Expendable Trust</u>	
Cash Receipts:			
Intergovernmental	\$35,945		\$35,945
Grants	859,505		859,505
Investment Income	308		308
Other Receipts	835		835
	<u>896,593</u>		<u>896,593</u>
Total Cash Receipts	<u>896,593</u>		<u>896,593</u>
Cash Disbursements:			
Current:			
Salaries - Employees	5,800		5,800
Supplies	3,580		3,580
Contracts - Services	19,519		19,519
Rentals	4,220		4,220
Advertising and Printing	1,138		1,138
Public Employees Retirement	691		691
Workers' Compensation	184		184
Capital Outlay	859,505		859,505
Other	10,033		10,033
	<u>904,670</u>		<u>904,670</u>
Total Cash Disbursements	<u>904,670</u>		<u>904,670</u>
Total Receipts Over/(Under) Disbursements	(8,077)		(8,077)
Fund Cash Balances, January 1	20,272	585	20,857
Fund Cash Balances, December 31	<u>\$12,195</u>	<u>\$585</u>	<u>\$12,780</u>
Reserves for Encumbrances, December 31	<u>\$3,803</u>	<u>\$0</u>	<u>\$3,803</u>

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

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**ASHTABULA COUNTY PARK
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2004**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Ashtabula County Park, Ashtabula County, (the Park) as a body corporate and politic. The probate judge of Ashtabula County appoints a three-member Board of Trustees to govern the Park. The Trustees are authorized to acquire, develop, protect, maintain, and improve park lands and facilities. The Trustees may convert acquired land into forest reserves. The Trustees are also responsible for activities related to conserving 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 these assets conducive to the general welfare.

The Park's management believes this financial statement presents all activities for which the Park is financially accountable.

B. Basis of Accounting

This financial statement follows the basis of accounting the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Park recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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).

This statement includes adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Cash and Investments

As the Ohio Revised Code permits, the Ashtabula County Treasurer holds the Park's cash as the Park's custodian. The County holds the Park's assets in its investment pool, valued at the Treasurer's reported carrying amount.

D. Fund Accounting

The Park uses fund accounting to segregate cash and investments that are restricted as to use. The Park classifies its funds into the following types:

1. General Fund

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

2. Fiduciary Fund (Trust Fund)

Trust funds account for resources restricted by legally binding trust agreements. The Park had the following significant fiduciary fund:

**ASHTABULA COUNTY PARK
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2004
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Environmental Endowment Fund: This fund is an expendable trust fund that receives donations. Donations can be used for capital improvements, acquisitions, and education.

E. Budgetary Process

The Ohio Revised Code requires the Board of Trustees to budget each fund annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund 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.

3. Encumbrances

The Ohio Revised Code requires the Park to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2004 budgetary activity appears in Note 2.

F. Property, Plant, and Equipment

The Park records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

2. BUDGETARY ACTIVITY

Budgetary activity for the year ending 12/31/04 follows:

2004 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,413,910	\$896,593	(\$517,317)
Fiduciary	574	0	(574)
Total	\$1,414,484	\$896,593	(\$517,891)

**ASHTABULA COUNTY PARK
ASHTABULA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2004
(Continued)**

2. BUDGETARY ACTIVITY (Continued)

2004 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,413,910	\$908,473	\$505,437
Fiduciary	574	0	\$574
Total	\$1,414,484	\$908,473	\$506,011

3. RETIREMENT SYSTEM

The Park's full-time employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes retirement benefits, including postretirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2004, OPERS members contributed 8.5 percent of their gross salaries. The Park contributed an amount equal to 13.55 percent of participants' gross salaries. The Park has paid all contributions required through December 31, 2004.

4. RISK MANAGEMENT

Commercial Insurance

The Park has obtained commercial insurance for the following risks:

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

5. SUBSEQUENT EVENTS

There is a pending litigation filed against the Park District in which the plaintiff seeks monetary damages in the excess of \$25,000. The claim is being defended through HAS Claims Service. The Park intends to contest the case.

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ASHTABULA COUNTY PARK
ASHTABULA COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES
AS OF DECEMBER 31, 2004

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Expenditures
U.S. FEDERAL HIGHWAY ADMINISTRATION:				
<i>Passed through the Ohio Department of Transportation:</i>				
<i>Highway Planning and Construction Cluster</i>				
<i>Transportation Equity Act for the 21st Century</i>				
Section 1202. Bicycle Transportation and Pedestrian Walkway	20665	20.205	\$832,314	\$832,314
 <i>Passed through the Ohio Department of Natural Resources:</i>				
Transportation Equity Act for the 21st Century Recreational Trails Program (RTP)	RT98 (007)	20.219	27,191	27,191
TOTAL			\$859,505	\$859,505

The accompanying notes to this schedule are an integral part of this schedule.

**ASHTABULA COUNTY PARK
ASHTABULA COUNTY**

FISCAL YEAR ENDED DECEMBER 31, 2004

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the Park's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B – SUBRECIPIENTS

The Park passed-through certain Federal assistance received from the U.S. Department of Transportation Federal Highway Administration to a not-for-profit agency (subrecipient). As described in Note A, the Park records expenditures of Federal awards to subrecipients when paid in cash.

The subrecipient agency has certain compliance responsibilities related to administering this Federal Program. Under Federal Circular A-133, the Park is responsible for monitoring subrecipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations and the provisions of contracts or grant agreements, and that performance goals are achieved.

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require that the Park contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Park has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Ashtabula County Park
Ashtabula County
25 West Jefferson St.
Jefferson, Ohio 44047

To the Board of Trustees:

We have audited the financial statement of Ashtabula County Park, Ashtabula County (the Park) as of and for the year ended December 31, 2004, and have issued our report thereon dated November 30, 2005, wherein we noted the Park followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Park's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statement and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statement we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the Park's management dated November 30, 2005, we reported other matters involving internal control over financial reporting that we did not deem reportable conditions.

Compliance and Other Matters

As part of reasonably assuring whether the Park's financial statement is free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Ashtabula County Park
Ashtabula County
Independent Accountants' Report on Internal Control over Financial Reporting and
On Compliance and Other Matters Required by *Government Auditing Standards*
Page 2

We intend this report solely for the information and use of management and the Board of Trustees. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

November 30, 2005



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO ITS MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Ashtabula County Park
Ashtabula County
25 West Jefferson St.
Jefferson, Ohio 44047

To the Board of Trustees:

Compliance

We have audited the compliance of Ashtabula County Park, (the Park) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement that apply to its major federal program for the year ended December 31, 2004. The summary of auditor's results section of the accompanying schedule of findings identifies the Park's major federal program. The Park's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its major federal program. Our responsibility is to express an opinion on the Park's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the Park's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Park's compliance with those requirements.

In our opinion, the Park complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended December 31, 2004.

Internal Control Over Compliance

The Park's management is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Park's internal control over compliance with requirements that could directly and materially affect a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable 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 noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over federal compliance not requiring inclusion in this report, that we have reported to the Park's management in a separate letter dated November 30, 2004.

We intend this report solely for the information and use of management, Board of Trustees, and federal awarding agencies and pass-through entities. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

November 30, 2005

**ASHTABULA COUNTY PARK
ASHTABULA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2004**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)()</i> (i)	Type of Financial Statement opinion	Unqualified
<i>(d)(1)</i> (ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)</i> (ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)</i> (iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
<i>(d)(1)</i> (iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)</i> (iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)</i> (v)	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)</i> (vi)	Are there any reportable findings under § .510?	No
<i>(d)(1)</i> (vii)	Major Programs (list):	Highway Planning and Construction Cluster: CFDA # 20.205
<i>(d)(1)</i> (viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)</i> (ix)	Low Risk Auditee?	No

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

None

3. FINDINGS AND QUESTION COSTS FOR FEDERAL AWARDS

None



**Auditor of State
Betty Montgomery**

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ASHTABULA COUNTY PARK

ASHTABULA 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
DECEMBER 22, 2005**