



Dave Yost • Auditor of State



**MEMORIAL PARK DISTRICT OF THE ST. CLAIRSVILLE CITY AND RICHLAND PARK DISTRICT  
BELMONT COUNTY**

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Memorial Park District of the St. Clairsville City and Richland Township  
Belmont County  
P.O. Box 513  
St. Clairsville, Ohio 43950

We have performed the procedures enumerated below, with which the Board of Trustees and the management of Memorial Park District of the St. Clairsville City and Richland Township, Belmont County, Ohio (the District), agreed, solely to assist the Board in evaluating receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2010 and 2009, and certain compliance requirements related to these transactions and balances. Management is responsible for recording transactions; and management and the Board are responsible for complying with the compliance requirements. This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

### Cash

1. We tested the mathematical accuracy of the December 31, 2010 and December 31, 2009 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2009 beginning fund balances recorded in the General Ledger to the December 31, 2008 balances in the prior year audited statements. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2010 and 2009 fund cash balances reported in the General Ledger. We found no exceptions.
4. We confirmed the December 31, 2010 bank account balance with the District's financial institutions. We found no exceptions.
5. We selected two reconciling debits (such as outstanding checks) haphazardly from the December 31, 2010 bank reconciliation:
  - a. We traced each debit to the subsequent January and March bank statements. We found no exceptions.
  - b. We traced the amounts and date written to the check register, to determine the debits were dated prior to December 31. We found no exceptions.

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### **Cash (Continued)**

6. We tested interbank account transfers occurring in December of 2010 and 2009 to determine if they were properly recorded in the accounting records and on each bank statement. We found no exceptions.

### **Property Taxes, Intergovernmental and Other Confirmable Cash Receipts**

1. We selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2010 and one from 2009:
  - a. We traced the gross receipts from the *Statement* to the amount recorded in the General Ledger. We found no exceptions.
  - b. We determined whether the receipt was allocated to the proper funds as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
  - c. We determined whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We scanned the General Ledger to determine whether it included the proper number of tax receipts for 2010 and 2009:
  - a. Two personal property tax receipts.
  - b. Two real estate tax receipts.

We noted the General Ledger included the proper number of tax settlement receipts for each year.

3. We confirmed the local government amounts paid from Belmont County Auditor's office to the District during 2010 and 2009.
  - a. We determined whether these receipts were allocated to the proper funds. We found no exceptions.
  - b. We determined whether the receipts were recorded in the proper year. We found no exceptions.

### **Over-The-Counter Cash Receipts (Pool, Concession, Shelter)**

We haphazardly selected 10 over-the-counter cash receipts from the year ended December 31, 2010 and 10 over-the-counter cash receipts from the year ended 2009 recorded in the Daily Record of Deposit and determined whether the:

- a. Receipt amount agreed to the amount recorded in the General Ledger. The amounts agreed.
- b. Amount charged complied with rates in force during the audit period. We found no exceptions.
- c. Receipt was posted to the proper funds, and was recorded in the proper year. We found no exceptions.
- d. Supporting documentation for over the counter receipt agreed to receipt amount. We found no exceptions.

### **Debt**

1. The prior audit report disclosed no debt outstanding as of December 31, 2008.
2. We inquired of management, and scanned the General Ledger for evidence of debt issued during 2010 or 2009 or debt payment activity during 2010 or 2009. All debt noted agreed to the summary we used in step 3.

### **Debt (Continued)**

3. We obtained a summary of note debt activity for 2010 and agreed principal and interest payments from the related debt amortization schedule to debt payments reported in the General Ledger. We also compared the date the debt payments were due to the date the District made the payments. We found no exceptions.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the General Ledger. The amounts agreed.
5. For new debt issued during 2010, we inspected the debt legislation, noting the District may borrow money and issue notes in anticipation of the receipt of taxes for debt charges or current expenses to the extent necessary to meet such charges or expenses, but not in excess of the estimated receipts for the current tax year, less all advances. The sums so anticipated shall be deemed appropriated for the payment of such notes at maturity. The notes shall not run more than one year, nor bear interest at a rate exceeding the rate provided in Section 9.95 of the Revised Code, and the proceeds therefrom shall be used only for the purposes for which the anticipated taxes were levied. No board shall borrow money or issue notes in anticipation of such taxes before the first day of January of the year of such taxes.

We scanned the General Ledger, reviewed the board minutes and reviewed the debt instrument issued by the bank. The District did not issue notes, but obtained a commercial loan from a bank, contrary to Ohio Rev. Code Section 1545.211. Ohio Rev. Code Section 2921.42(A)(4) states that no public official shall knowingly have an interest in profits or benefits of a public contract entered into by or for the use of the political subdivision or governmental agency or instrumentality with which the public official is connected. Ohio Rev. Code Section 102.03(D) states that no public official or employee shall use or authorize the use of the authority or influence of office or employment to secure anything of value or the promise or offer of anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employees with respect to that person's duties.

A board member seconded a motion at the April 26, 2010 board meeting to obtain a commercial loan against the fall levy monies. At the same meeting, the board member volunteered to take care of getting the financial information necessary for the loan and researching the loan. At the May 24, 2010 meeting, the board member presented a corporate resolution to borrow money from a bank at which she was currently employed. The Board accepted her recommendation and obtained a loan at the board member's bank. The board member signed the loan document on May 28, 2010 on behalf of the District. A referral will be made to the Ohio Ethics Commission.

### **Payroll Cash Disbursements**

1. We haphazardly selected one payroll check for five employees from 2010 and one payroll check for five employees from 2009 from the Payroll Journal and:
  - a. We compared the hours and pay rate, or salary amount used in computing gross pay to supporting documentation (timecard, or legislatively approved rate or salary). We found no exceptions.
  - b. We recomputed gross and net pay and agree it to the amount recorded in the payroll journal. We found no exceptions.

**Payroll Cash Disbursements (Continued)**

- c. We determined whether the fund and account codes to which the check was posted was reasonable based on the employees' duties documented in the minute record. We found one instance where the Park Manager's timesheet did not list the specific work performed when the hours were charged to a fund other than the General Fund. Because we did not test all timecards, our report provides no assurance whether or not other similar errors occurred.
2. We scanned the last remittance of tax and retirement withholdings for the year ended December 31, 2010 to determine whether remittances were timely paid, and that the amounts paid agreed to the amounts withheld during the final withholding period during 2010.

<b>Withholding</b>	<b>Date Due</b>	<b>Date Paid</b>	<b>Amount Withheld</b>	<b>Amount Paid</b>
Federal income taxes	1/31/11	1/12/11	\$563.78	\$563.78
State income taxes	1/15/11	1/12/11	\$145.00	\$145.00
OPERS retirement (withholding plus employee share)	1/30/11	1/31/11	\$203.08	\$203.08

**Non-Payroll Cash Disbursements**

We haphazardly selected ten disbursements from the Checkbook Register for the year ended December 31, 2010 and ten from the year ended 2009 and determined whether:

- a. The disbursements were for a proper public purpose. We found no exceptions.
- b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Checkbook Register and to the names and amounts on the supporting invoices. We found no exceptions.
- c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
- d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found no exceptions.

**Compliance – Budgetary**

1. We compared the total from the *Certificate of the Total Amount From All Sources Available For Expenditures and Balances* 5705.36(A)(1), to the amounts recorded in the Statement of Cash Receipts and Disbursements Cash Basis Cash Activity Report for the General and Tax Levy funds for the years ended December 31, 2010 and 2009. We found no exceptions.
2. We scanned the appropriation measures adopted for 2010 and 2009 to determine whether, for the General and Tax Levy funds, the Trustees appropriated separately for "each office, department, and division, and within each, the amount appropriated for personal services," as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Statement of Cash Receipts and Disbursements Cash Basis Cash Activity Report for 2010 and 2009 for the following funds: General and Tax Levy funds. We found no exceptions.



#### **Compliance – Budgetary (Continued)**

4. Ohio Rev. Code Section 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General and Tax Levy funds for the years ended December 31, 2010 and 2009. We noted that Tax Levy Fund appropriations for 2010 exceeded certified resources by \$77,093. The District should not pass appropriations exceeding certified resources. Allowing this to occur could cause the District to incur fund balance deficits.
5. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations for the years ended December 31, 2010 and 2009 for the General and Tax Levy funds, as recorded in the Statement of Cash Receipts and Disbursements Cash Basis Cash Activity Report. We found no exceptions.
6. Ohio Rev. Code Section 5705.09 requires establishing separate funds to segregate externally-restricted resources. We scanned the General Ledger for evidence of new restricted receipts requiring a new fund during December 31, 2010 and 2009. We also inquired of management regarding whether the District received new restricted receipts. We noted no evidence of new restricted receipts for which Ohio Rev. Code Section 5705.09 would require the District to establish a new fund.
7. We scanned the 2010 and 2009 General Ledger for evidence of interfund transfers from the Tax Levy Fund to the General Fund which Ohio Rev. Code Sections 5705.14 -- .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner and Court of Common Pleas.
8. We inquired of management and scanned the Statement of Cash Receipts and Disbursements Cash Basis Cash Activity Report to determine whether the District elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. We noted the District did not establish these reserves.

#### **Compliance – Contracts & Expenditures**

1. We inquired of management and scanned the Checkbook Register for the years ended December 31, 2010 and 2009 for procurements requiring competitive bidding under the Districts Bylaws, adopted pursuant to Ohio Rev. Code Section 1545.09(A). We identified one purchase subject to the aforementioned bidding requirements.
2. For the project described in step 1, we read the contract and noted that it required the contractor to pay prevailing wages to their employees as required by Ohio Rev. Code Sections 4115.04 and 4115.05. The contract included the Ohio Department of Commerce's schedule of prevailing rates.

We did not receive a response from Officials to the exceptions reported above.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the District's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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This report is intended solely for the information and use of management and those charged with governance and others within the District and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

October 21, 2011



# Dave Yost • Auditor of State

**MEMORIAL PARK DISTRICT OF ST. CLAIRSVILLE CITY AND RICHLAND TOWNSHIP**

**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  
NOVEMBER 10, 2011**