



Dave Yost • Auditor of State

O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY

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Dave Yost • Auditor of State

O.O. McIntyre Park District
Gallia County
18 Locust Street, Room 1262
Gallipolis, Ohio 45631

To the Board of Park Commissioners:

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 an 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 adverse 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 black ink that reads "Dave Yost".

Dave Yost
Auditor of State

April 12, 2012

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Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

O.O. McIntyre Park District
Gallia County
18 Locust Street, Room 1262
Gallipolis, Ohio 45631

To the Board of Park Commissioners:

We have audited the accompanying financial statements of the O.O. McIntyre Park District, Gallia County, Ohio (the District), as of and for the years ended December 31, 2011 and 2010. 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 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 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the District has prepared these financial statements 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 statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity-wide statements and also presenting the District's larger (i.e., major) funds separately. While the District does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require park districts to reformat their statements. The District has elected not to follow GAAP statement formatting requirements. 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 statements referred to above for the years ended December 31, 2011 and 2010 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2011 and 2010, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances as of December 31, 2011 and 2010 of the O.O. McIntyre Park District, Gallia County, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

As described in Note 2, during 2010 the District adopted Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 12, 2012, 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 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.



Dave Yost
Auditor of State

April 12, 2012

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2011**

	General	Capital Projects	Totals (Memorandum Only)
Cash Receipts			
Property Taxes	\$333,496		\$333,496
Charges for Services	265		265
Fines, Licenses and Permits	19,130		19,130
Intergovernmental	84,351		84,351
Earnings on Investments	2,764	\$13,385	16,149
Donations		17,500	17,500
Miscellaneous	16,874		16,874
<i>Total Cash Receipts</i>	<u>456,880</u>	<u>30,885</u>	<u>487,765</u>
Cash Disbursements			
Current:			
Conservation/Recreation:			
Salaries	175,658		175,658
Fringe Benefits	98,791		98,791
Materials and Supplies	79,216		79,216
Equipment	1,414		1,414
Contracts - Repair	3,994		3,994
Contracts - Services	43,184		43,184
Advertising and Printing	780		780
Travel	1,997		1,997
Other	10,959		10,959
Project Fund Expense		71,778	71,778
<i>Total Cash Disbursements</i>	<u>415,993</u>	<u>71,778</u>	<u>487,771</u>
<i>Excess of Cash Receipts Over (Under) Cash Disbursements</i>	<u>40,887</u>	<u>(40,893)</u>	<u>(6)</u>
Other Financing Receipts (Disbursements)			
Transfers In		45,000	45,000
Transfers Out	(45,000)		(45,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(45,000)</u>	<u>45,000</u>	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	(4,113)	4,107	(6)
<i>Fund Cash Balances, January 1</i>	<u>99,466</u>	<u>430,994</u>	<u>530,460</u>
Fund Cash Balances, December 31			
Assigned		435,101	435,101
Unassigned (Deficit)	95,353		95,353
<i>Fund Cash Balances, December 31</i>	<u>\$95,353</u>	<u>\$435,101</u>	<u>\$530,454</u>

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

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	General	Capital Projects	Totals (Memorandum Only)
Cash Receipts			
Property Taxes	\$294,633		\$294,633
Charges for Services	506		506
Fines, Licenses and Permits	24,980		24,980
Intergovernmental	121,226	\$173,250	294,476
Earnings on Investments	5,182	14,883	20,065
Donations		17,500	17,500
Miscellaneous	384		384
<i>Total Cash Receipts</i>	<u>446,911</u>	<u>205,633</u>	<u>652,544</u>
Cash Disbursements			
Current:			
Conservation/Recreation:			
Salaries	178,914		178,914
Fringe Benefits	88,700		88,700
Materials and Supplies	81,034		81,034
Equipment	1,841		1,841
Contracts - Repair	8,850		8,850
Contracts - Services	54,551		54,551
Advertising and Printing	1,239		1,239
Travel	4,240		4,240
Other	11,027		11,027
Capital Outlay	34,948		34,948
Project Fund Expense		306,053	306,053
<i>Total Cash Disbursements</i>	<u>465,344</u>	<u>306,053</u>	<u>771,397</u>
<i>Excess of Cash Receipts Over (Under) Cash Disbursements</i>	<u>(18,433)</u>	<u>(100,420)</u>	<u>(118,853)</u>
Other Financing Receipts (Disbursements)			
Transfers In		45,000	45,000
Transfers Out	(45,000)		(45,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(45,000)</u>	<u>45,000</u>	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	(63,433)	(55,420)	(118,853)
<i>Fund Cash Balances, January 1</i>	<u>162,899</u>	<u>486,414</u>	<u>649,313</u>
Fund Cash Balances, December 31			
Assigned		430,994	430,994
Unassigned (Deficit)	99,466		99,466
<i>Fund Cash Balances, December 31</i>	<u><u>\$99,466</u></u>	<u><u>\$430,994</u></u>	<u><u>\$530,460</u></u>

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

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010**

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 O.O. McIntyre Park District, Gallia County (the District), as a body corporate and politic. The probate judge of Gallia County appoints a three-member Board of Commissioners to govern the District. The Commissioners are authorized to acquire, develop, protect, maintain, and improve park lands and facilities. The Commissioners may convert acquired land into forest reserves. The Commissioners 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 District's management believes these financial statements present all activities for which the District is financially accountable.

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The District 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).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Deposit and Investments

As the Ohio Revised Code permits, the Gallia County Treasurer holds the District's deposits as the District's custodian. The County holds the District's assets in its investment pool, 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 reports all financial resources except those required to be accounted for in another fund.

O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010
(Continued)

1. **Summary of Significant Accounting Policies (Continued)**

D. **Fund Accounting (Continued)**

2. **Capital Project Funds**

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The District had the following significant Capital Project Funds:

Capital Improvement Fund - This fund receives grants and earnings on investments. Funds are used to finance capital improvements and repairs for the District.

Replacement Fund - This fund receives transfers from the General Fund. Funds are used to finance capital and equipment replacement needs.

Rails to Trails Fund - This fund receives grants and donations. Funds are used to develop and maintain the Gallia County hike and bike trail and facilities.

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. The District 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 individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2011 and 2010 budgetary activity appears in Note 3.

O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010
(Continued)

1. Summary of Significant Accounting Policies (Continued)

F. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. **Nonspendable**

The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

2. **Restricted**

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

3. **Committed**

Commissioners can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Commissioners amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. **Assigned**

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by District Commissioners or a District official delegated that authority by resolution, or by State Statute.

5. **Unassigned**

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

G. Property, Plant, and Equipment

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

H Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

2. Change in Accounting Principle

For fiscal year 2010, the District implemented Governmental Accounting Standard Board (GASB) Statement No. 54. Implementing GASB Statement No. 54 had no effect on fund balances previously reported.

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2011 and 2010 follows:

2011 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$456,880	\$456,880	\$0
Capital Projects	75,885	75,885	0
Total	\$532,765	\$532,765	\$0

2011 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$473,258	\$460,993	\$12,265
Capital Projects	71,778	71,778	0
Total	\$545,036	\$532,771	\$12,265

2010 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$446,911	\$446,911	\$0
Capital Projects	250,633	250,633	0
Total	\$697,544	\$697,544	\$0

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010
(Continued)**

3. Budgetary Activity (Continued)

2010 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$505,030	\$511,279	(\$6,249)
Capital Projects	306,053	306,053	0
Total	\$811,083	\$817,332	(\$6,249)

4. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, 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.

5. Retirement Systems

The District's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2011 and 2010, OPERS members contributed 10% of their gross salaries and the District contributed an amount equaling 14% of participants' gross salaries. The District has paid all contributions required through December 31, 2011.

6. Risk Management

The District is exposed to various risks of loss related to torts, theft or damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The Park District is covered under Gallia County's insurance policy with County Risk Sharing Authority (CORSA), a jointly governed organization, for liability, property, and crime insurance. The CORSA program has a \$2,500 deductible.

Health and life insurance are also available to District employees through Gallia County.

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010
(Continued)**

7. Contingent Liabilities

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

8. Related Party Transaction

The District contracted with Seleesa Rucker in 2011 and 2010 to perform mowing services for District land at a rate of \$350 per occurrence. Asa Rucker (husband of Seleesa Rucker) was an employee for the Park District during that time. Payments for mowing services totaled \$9,800 in 2010 and \$10,500 for 2011.

9. Subsequent Event

During 2011 and 2010, the District leased property from Gallipolis Golf Club, Inc. for the development of a public recreation facility. The District engaged the services of the Gallipolis Golf Club, Inc., for the purpose of carrying out all aspects of the operation of the public golf course. In January 2012, the Gallipolis Golf Club, Inc. was sold ending the lease and all agreements with the District.



Dave Yost • Auditor of State

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

O.O. McIntyre Park District
Gallia County
18 Locust Street, Room 1262
Gallipolis, Ohio 45631

To the Board of Park Commissioners:

We have audited the financial statements of the O.O. McIntyre Park District, Gallia County, Ohio (the District), as of and for the years ended December 31, 2011 and 2010, and have issued our report thereon dated April 12, 2012, wherein we noted the District followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America and adopted the provisions of Governmental Accounting Standards Board Statement No. 54. 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 District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are 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*.

We did note certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated April 12, 2012.

We intend this report solely for the information and use of management, the District Board of Park Commissioners and others within the District. We intend it for no one 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

April 12, 2012

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
December 31, 2011 AND 2010**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2009-001	Material Noncompliance Citation and Material Weakness issued under Ohio Revised Code Section 125.04(B)(2) for improper expenditures relating to a purchased tractor through the State of Ohio Cooperative Purchasing Program and stone from the Gallia County Engineer. These transactions were not in line with the purpose of the Capital Development Trust Fund. In addition, the Gallipolis Golf Club reimbursed the District for these expenditures indicating the purchases were on behalf of the Gallipolis Golf Club.	Yes	
2009-002	Noncompliance Citation issued under Ohio Rev. Code Section 5705.41(B) for expenditures exceeding appropriations.	No	Partially Corrected This was reissued in the Management Letter.
2009-003	Material Weakness issued for significant audit adjustments required due to lack of sound financial reporting.	Yes	

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Dave Yost • Auditor of State

O.O. MCINTYRE PARK DISTRICT

GALLIA 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
MAY 1, 2012**