



Dave Yost • Auditor of State



**ASHLAND COUNTY PARK DISTRICT  
ASHLAND COUNTY**

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Ashland County Park District  
Ashland County  
1763 State Route 60  
Ashland, OH 44805

To the Board of Commissioners:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the cash balances, receipts and disbursements, and related notes of the Ashland County Park District, Ashland County, Ohio, (the District) as of and for the years ended December 31, 2016 and 2015.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 2 of the financial statements, the District prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the District does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2016 and 2015, and the respective changes in financial position or cash flows thereof for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balance, receipts and disbursements, and related notes of the Ashland County Park District, Ashland County, as of December 31, 2016 and 2015, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2017, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

November 29, 2017

**Ashland County Park District**  
*Ashland County*  
*Statement of Receipts, Disbursements*  
*and Changes in Fund Balance (Regulatory Cash Basis)*  
*General Fund*  
*For the Year Ended December 31, 2016*

	General
<b>Cash Receipts</b>	
Fines, Licenses and Permits	\$ 35,478
Intergovernmental	42,282
Gifts and Donations	46,147
<i>Total Cash Receipts</i>	123,907
<b>Cash Disbursements</b>	
Supplies and Materials	43,131
Contract Services and Repairs	57,357
Equipment	19,978
Advertising & Printing	1,899
Travel and Expenses	4,555
Land	840
Other	31,781
<i>Total Cash Disbursements</i>	159,541
<i>Net Change in Fund Cash Balances</i>	(35,634)
<i>Fund Cash Balances, January 1</i>	124,260
<b>Fund Cash Balances, December 31</b>	
Assigned	31,180
Unassigned	57,446
<i>Fund Cash Balances, December 31</i>	\$ 88,626

*See accompanying notes to the basic financial statements*

**Ashland County Park District**  
*Ashland County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*

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**Note 1 - Reporting Entity**

The Ashland County Park District is organized under Section 1545 of the Ohio Revised Code. Established by order of the probate court in January of 2002, its area includes all of Ashland County.

The district is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The probate judge of Ashland County appoints a three-member Board of Commissioners to govern the District. The Board is authorized to acquire, develop, protect, maintain, and improve park lands and facilities. The Board may convert acquired land into forest reserves. The Board 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. In accordance with Ohio Revised Code Section 1545.22, the county auditor and treasurer manage the District's funds.

**Note 2 - Summary of Significant Accounting Policies**

***Basis of Presentation***

The District's financial statements consist of a statement of receipts, disbursements and changes in fund balance (regulatory cash basis) for the general fund, which is the only fund.

***Fund Accounting***

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The fund of the District is presented below:

***General Fund*** The general fund accounts for and reports all financial resources. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). 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 financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.



**Ashland County Park District**  
*Ashland County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

***Budgetary Process***

The Ohio Revised Code requires that each fund be budgeted annually.

***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 must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

***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 approve estimated resources.

***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 2016 budgetary activity appears in Note 3.

***Deposit and Investments***

As the Ohio Revised Code permits, the Ashland 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.

***Capital Assets***

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

***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:

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

***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.

**Ashland County Park District**  
*Ashland County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

***Fund Balance (Continued)***

***Committed*** District can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the District 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.

***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 the Board or a District official delegated that authority by resolution, or by State Statute.

***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.

**Note 3 - Budgetary Activity**

Budgetary activity for the year ended December 31, 2016 follows:

2016 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$124,000	\$123,907	(\$93)

2016 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$222,000	\$159,541	\$62,459

**Ashland County Park District**  
*Ashland County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*

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**Note 4 – Deposits**

The District maintains a deposit pool all funds use. The Ohio Revised Code prescribes allowable deposits. The carrying amount of deposits at December 31 was as follows:

	2016
Demand deposits	\$88,626

**Note 5 – Risk Management**

***Risk Pool Membership***

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Park District addresses these risks by being a member of the County Risk Sharing Authority (CORSA) through Ashland County Commissioners. CORSA is a risk sharing pool established by the County Commissioners Association of Ohio (CCAO) to provide property and liability coverage for counties who are members of CCAO. It was incorporated in the State of Ohio in 1987 as a nonprofit corporation. CORSA membership currently consists of 65 counties and 33 multi-county facilities and county affiliated entities.

Each member County has one vote on all matters requiring a vote, to be cast by a designated representative. An elected board of not more than nine Directors manages the affairs of the Corporation. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at April 30, 2016.

	2016
Cash and investments	\$118,709,672
Actuarial liabilities	(\$33,760,998)
Members' Equity	\$84,948,674

CORSA provides the following coverage to the park district:

- Property
- Equipment Breakdown
- Crime
- General Liability
- Cyber Liability
- Automobile Liability
- Law Enforcement Liability
- Errors and Omissions Liability

**Ashland County Park District**  
*Ashland County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2016*

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**Note 6 – Subsequent Events**

The District has existed as a volunteer organization relying upon donations, grants, and some fees related to property use since its inception in 2002. In 2016, the District Board of Commissioners placed a one-half mill property tax issue before Ashland County voters to secure financial resources and stability for the District. The levy passed and will generate approximately \$500,000 per year for the operation, maintenance, and improvement of the District. The District will engage the services of a consultant to organize the fiscal management of the District and will hire its first employees in 2017.

**Ashland County Park District**  
*Ashland County*  
*Statement of Receipts, Disbursements*  
*and Changes in Fund Balance (Regulatory Cash Basis)*  
**General Fund**  
*For the Year Ended December 31, 2015*

	General
<b>Cash Receipts</b>	
Fines, Licenses and Permits	\$ 46,698
Intergovernmental	78,757
Gifts and Donations	69,158
Reimbursements	1,233
Other Receipts	1,867
	<u>197,713</u>
 <b>Cash Disbursements</b>	
Supplies and Materials	51,523
Contract Services and Repairs	27,366
Equipment	33,604
Advertising & Printing	517
Travel and Expenses	4,594
Other	25,938
	<u>143,542</u>
 <i>Total Cash Receipts</i>	 <u>197,713</u>
 <i>Total Cash Disbursements</i>	 <u>143,542</u>
 <i>Net Change in Fund Cash Balances</i>	 54,171
 <i>Fund Cash Balances, January 1</i>	 <u>70,089</u>
 <b>Fund Cash Balances, December 31</b>	
Assigned	123,634
Unassigned	626
	<u>124,260</u>
 <i>Fund Cash Balances, December 31</i>	 <u>\$ 124,260</u>

*See accompanying notes to the basic financial statements*

**Ashland County Park District**  
*Ashland County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2015*

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**Note 1 - Reporting Entity**

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The District's management believes these financial statements present all activities for which the District is financially accountable. In accordance with Ohio Revised Code Section 1545.22, the county auditor and treasurer manage the District's funds.

**Note 2 - Summary of Significant Accounting Policies**

***Basis of Presentation***

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***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). 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 financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

**Ashland County Park District**  
*Ashland County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2015*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

***Budgetary Process***

The Ohio Revised Code requires that each fund be budgeted annually.

***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 must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

***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 approve estimated resources.

***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 2015 budgetary activity appears in Note 3.

***Deposit and Investments***

As the Ohio Revised Code permits, the Ashland 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.

***Capital Assets***

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

***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.

**Ashland County Park District**  
*Ashland County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2015*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

***Fund Balance (Continued)***

***Committed*** The Board can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Board amends 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.

***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 the Board or a District official delegated that authority by resolution, or by State Statute.

***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.

**Note 3 - Budgetary Activity**

Budgetary activity for the year ended December 31, 2015 follows:

2015 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$193,000	\$197,713	\$4,713

2015 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$191,500	\$143,542	\$47,958



**Ashland County Park District**  
*Ashland County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2015*

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**Note 4 – Deposits**

The District maintains a deposit pool all funds use. The Ohio Revised Code prescribes allowable deposits. The carrying amount of deposits at December 31 was as follows:

	2015
Demand deposits	\$124,260

**Note 5 – Risk Management**

***Risk Pool Membership***

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District addresses these risks by being a member of the County Risk Sharing Authority (CORSA) through Ashland County Commissioners. CORSA is a risk sharing pool established by the County Commissioners Association of Ohio (CCAO) to provide property and liability coverage for counties who are members of CCAO. It was incorporated in the State of Ohio in 1987 as a nonprofit corporation. CORSA membership currently consists of 65 counties and 33 multi-county facilities and county affiliated entities.

Each member County has one vote on all matters requiring a vote, to be cast by a designated representative. An elected board of not more than nine Directors manages the affairs of the Corporation. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at April 30, 2015.

	2015
Cash and investments	\$106,414,816
Actuarial liabilities	(\$24,182,435)
Members' Equity	\$82,232,381

CORSA provides the following coverage to the park district:

- Property
- Equipment Breakdown
- Crime
- General Liability
- Cyber Liability
- Automobile Liability
- Law Enforcement Liability
- Errors and Omissions Liability

**Ashland County Park District**  
*Ashland County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2015*

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**Note 6 – Subsequent Events**

The District has existed as a volunteer organization relying upon donations, grants, and some fees related to property use since its inception in 2002. In 2016, the District Board of Commissioners placed a one-half mill property tax issue before Ashland County voters to secure financial resources and stability for the District. The levy passed and will generate approximately \$500,000 per year for the operation, maintenance, and improvement of the District. The District will engage the services of a consultant to organize the fiscal management of the District and will hire its first employees in 2017.



# Dave Yost • Auditor of State

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

Ashland County Park District  
Ashland County  
1763 State Route 60  
Ashland, OH 44805

To the Board of Commissioners:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balance, receipts, and disbursements of the Ashland County Park District, Ashland County, Ohio, (the District) as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements and have issued our report thereon dated November 29, 2017 wherein we noted the District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

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 a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2016-001 to be a material weakness.

***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, opining 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 an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2016-002.

***District's Response to Findings***

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the District's responses and, accordingly, we express no opinion on them.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

November 29, 2017

**ASHLAND COUNTY PARK DISTRICT  
ASHLAND COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2016 AND 2015**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

**FINDING NUMBER 2016-001**

**Material Weakness – Financial Statement Presentation**

The Ashland County Park District should ensure that all receipts are posed to the correct fund and account code and accurately presented on the annual financial statements.

The District did not always accurately post receipts to the District's accounting system and financial statements. In addition, fund balance classifications were not always in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54. Mispostings identified include the following:

- In 2016, the District incorrectly recorded \$33,978 of Rental Fees in Other Receipts
- In 2016, \$6,582 and \$1,500 of Intergovernmental Receipts and Rental Fees, respectively, were recorded as Reimbursements.
- In 2016, the General Fund unassigned fund balance was overstated and assigned fund balance was understated by \$123,634, due to subsequent appropriations exceeding subsequent estimated receipts and reserve fund balance were posted as unassigned fund balance.
- In 2016, the District incorrectly recorded \$40,100 of disbursements as Other instead of Contract Services.
- In 2015, the District incorrectly recorded \$78,757 of Intergovernmental Receipts as Reimbursements
- In 2015, the District incorrectly recorded \$46,698 of Rental Fees as Other Receipts.
- In 2015, the General Fund unassigned fund balance was overstated and assigned fund balance was understated by \$31,180, due to subsequent appropriations exceeding subsequent estimated receipts and reserve fund balance were posted as unassigned fund balance.
- In 2015, the District incorrectly recorded \$9,982 of disbursements as Other instead of Supplies and Materials.

The District's financial statements have been adjusted to accurately reflect the proper line item classifications.

The District did not exercise due care when posting amounts to the accounting system. Not posting receipts accurately to the ledgers resulted in the financial statements requiring audit reclassifications.

The District should exercise due care when posting transactions to help ensure receipts are posted to the correct fund and account.

**Officials' Response:** The Ashland County Park District will ensure that all receipts are posted to the correct accounts. The budget has been restructured in 2017 to more accurately track the deposit of receipts.

**ASHLAND COUNTY PARK DISTRICT  
ASHLAND COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2016 AND 2015  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2016-002**

**Material Noncompliance – Timeliness of Deposits**

**Ohio Rev. Code § 9.38** states, in part, that public money must be deposited with the treasurer of the public office or to a designated depository on the business day following the day of receipt.

Of the twelve fines, licenses, and permits receipts tested in 2016, ten were submitted to the Ashland County Auditor between 5 and 26 days after receipt. Of the ten fines, licenses, and permits receipts tested in 2015, nine were not submitted to the Ashland County Auditor between 2 and 22 days after receipt.

By not remitting receipts to the County Auditor in a timely fashion, the District increases the risk of theft or fraud.

We recommend that the District remit cash receipts to the County Auditor by the day following the day of the receipt.

**Officials' Response:** The Park District will make deposits as required and have in place procedures to ensure compliance the Ohio Revised Code.



# Dave Yost • Auditor of State

**ASHLAND COUNTY PARK DISTRICT**

**ASHLAND 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  
JANUARY 9, 2018**