



**FAIRFIELD COUNTY PARK DISTRICT
FAIRFIELD COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999 - 1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**FAIRFIELD COUNTY PARK DISTRICT
FAIRFIELD COUNTY**

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**STATE OF OHIO
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Fairfield County Park District
Fairfield County
410 East Main Street
Lancaster, Ohio 43130

To the Board of Commissioners:

We have audited the accompanying financial statements of the Fairfield County Park District, Fairfield County, Ohio, (the District) as of and for the years ended December 31, 1999 and December 31, 1998. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, the District prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances and reserves for encumbrances of the Fairfield County Park District, Fairfield County, Ohio, as of December 31, 1999 and December 31, 1998, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2000, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

This report is intended solely for the information and use of management and the Park Board and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

June 1, 2000

**FAIRFIELD COUNTY PARK DISTRICT
FAIRFIELD COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Type</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Intergovernmental	\$115,723	\$0	\$115,723
Miscellaneous	987	3,382	4,369
Total Cash Receipts	<u>116,710</u>	<u>3,382</u>	<u>120,092</u>
Cash Disbursements:			
Personal Services	20,680	0	20,680
Supplies and Materials	591		591
Contractual Services	42,359		42,359
Capital Outlay	32,567		32,567
Other	2,139		2,139
Total Cash Disbursements	<u>98,336</u>	<u>0</u>	<u>98,336</u>
Total Receipts Over/(Under) Disbursements	18,374	3,382	21,756
Fund Cash Balances, January 1	<u>72,481</u>	<u>10,993</u>	<u>83,474</u>
Fund Cash Balances, December 31	<u>\$90,855</u>	<u>\$14,375</u>	<u>\$105,230</u>
Reserves for Encumbrances, December 31	<u><u>\$2,383</u></u>	<u><u>\$0</u></u>	<u><u>\$2,383</u></u>

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

**FAIRFIELD COUNTY PARK DISTRICT
FAIRFIELD COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>Governmental Fund Type</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Intergovernmental	\$96,210	\$0	\$96,210
Miscellaneous	1,652	165	1,817
	<u>97,862</u>	<u>165</u>	<u>98,027</u>
Total Cash Receipts			
	<u>97,862</u>	<u>165</u>	<u>98,027</u>
Cash Disbursements:			
Personal Services	12,702	0	12,702
Supplies and Materials	1,403	0	1,403
Contractual Services	45,561	0	45,561
Other	1,639	0	1,639
	<u>61,305</u>	<u>0</u>	<u>61,305</u>
Total Cash Disbursements			
	<u>61,305</u>	<u>0</u>	<u>61,305</u>
Total Receipts Over/(Under) Disbursements	36,557	165	36,722
Fund Cash Balances, January 1	<u>35,924</u>	<u>10,828</u>	<u>46,752</u>
Fund Cash Balances, December 31	<u>\$72,481</u>	<u>\$10,993</u>	<u>\$83,474</u>
Reserves for Encumbrances, December 31	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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

**FAIRFIELD COUNTY PARK DISTRICT
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Fairfield County Park District, Fairfield County, Ohio, (the District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is directed by a three-member Board of Commissioners, who are appointed by the Probate Court of Fairfield County. The District can acquire lands for conversion into forest reserves and for the conservation of the natural resources of the state, including streams, lakes, submerged lands, and swamplands, and to those ends may create parks, parkways, forest reservations, and other reservations; and may afforest, develop, improve, protect, and promote the use of the same in such manner as the Board of Commissioners deems conducive to the general welfare.

The District's management believes these financial statements present all activities for which the District is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved.)

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. 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:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The only special revenue fund is the Covered Bridge Fund. This fund is used to accumulate monies for the restoration of a historical bridge within the District.

**FAIRFIELD COUNTY PARK DISTRICT
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. 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 and object level of control, and appropriations may not exceed estimated resources. The 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.

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.

Encumbrances

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

A summary of 1999 and 1998 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G. Unpaid Sick Leave

The District's employee is entitled to cash payments for unused sick leave in certain circumstances, such as upon leaving employment. Unpaid sick leave is not reflected as a liability under the cash basis of accounting used by the District.

**FAIRFIELD COUNTY PARK DISTRICT
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

2. EQUITY IN POOLED CASH AND INVESTMENTS

The District funds are maintained by Fairfield County as part of the County's pooled cash and investments. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments held by the District at December 31 was as follows:

	1999	1998
Fairfield County Treasury	\$105,230	\$83,474

Deposits: Protection of the Districts' deposits held with the County are provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 1999 and December 31, 1998 was as follows:

1999 Budgeted VS. Actual Receipts

Fund Type	Receipts		Variance
	Budgeted	Actual	
General	\$90,000	\$116,710	\$26,710
Special Revenue	0	3,382	3,382
Total	\$90,000	\$120,092	\$30,092

1999 Budgeted VS. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$110,000	\$100,719	\$9,281
Special Revenue	0	0	0
Total	\$110,000	\$100,719	\$9,281

**FAIRFIELD COUNTY PARK DISTRICT
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

3. BUDGETARY ACTIVITY (Continued)

1998 Budgeted VS. Actual Receipts

Fund Type	Receipts		Variance
	Budgeted	Actual	
General	\$86,546	\$97,862	\$11,316
Special Revenue	50	165	115
Total	\$86,596	\$98,027	\$11,431

1998 Budgeted VS. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$122,470	\$61,305	\$61,165
Special Revenue	0	0	0
Total	\$122,470	\$61,305	\$61,165

4. DEBT

Fairfield County Commissioners made an interest-free loan to the District totaling \$71,130 in 1996. These monies were used to fund the construction of the Cross Mount Park footbridge and the maintenance of county parks. The loan is to be repaid with District resources when such resources become available. To date the District has not made any payment on this loan nor has the County requested payment.

5. RETIREMENT SYSTEMS

The District's employee belongs to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

For 1999 and 1998, the District's employee contributed 8.5% of his gross wages to PERS. The District contributed an amount equal to 14.5% of his gross wages. The District has paid all contributions required through December 31, 1999.

**FAIRFIELD COUNTY PARK DISTRICT
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

6. RISK MANAGEMENT

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

- General liability
- Public official's liability
- Automobile
- Property

7. RELATED ORGANIZATION

The District is a related organization of Fairfield County. The County has no ability to impose its will on the District, nor is a burden/benefit relationship in existence. The District is its own budgeting and taxing authority. The County Auditor serves as the fiscal agent for the District; therefore, the District's financial activity is reflected in a County agency fund.

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OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street
Columbus, Ohio 43215
Telephone 614-466-3402
800-443-9275
Facsimile 614-728-7199
www.auditor.state.oh.us

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

Fairfield County Park District
Fairfield County
410 East. Main Street
Lancaster, Ohio 43130

To the Board of Commissioners:

We have audited the financial statements of the Fairfield County Park District, Fairfield County, Ohio, (the District) as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated June 1, 2000. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated June 1, 2000.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated June 1, 2000.

This report is intended for the information and use of the management and the Board of Park Commissioners, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

JIM PETRO
Auditor of State

June 1, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

FAIRFIELD COUNTY PARK DISTRICT

FAIRFIELD 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
JUNE 27, 2000**