



**HUNTER'S RUN CONSERVANCY DISTRICT
FAIRFIELD COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

HUNTER'S RUN CONSERVANCY DISTRICT
FAIRFIELD COUNTY

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Report of Independent Accountants	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Balance For the Years Ended December 31, 2000 and December 31, 1999	3
Notes to the Financial Statements	5
Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	7

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REPORT OF INDEPENDENT ACCOUNTANTS

Board of Directors
Hunter's Run Conservancy District
Fairfield County
4585 Richland Road NE
Lancaster, Ohio 43138

We have audited the accompanying financial statements of Hunter's Run Conservancy District, Fairfield County, Ohio, (the District) as of and for the years ended December 31, 2000 and December 31, 1999. 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 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 audit 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 audit provides a reasonable basis for our opinion.

As discussed 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 cash balances of Hunter's Run Conservancy District, Fairfield County, Ohio, as of December 31, 2000 and December 31, 1999, and its statement of 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 April 6, 2001 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report considering the results of our audit.

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

JIM PETRO
Auditor of State

April 6, 2001

**HUNTER'S RUN CONSERVANCY DISTRICT
FAIRFIELD COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2000 AND DECEMBER 31, 1999**

	2000	1999
Cash Receipts:		
Special Assessment	\$31,931	\$29,693
Interest	5,364	5,093
	37,295	34,786
Cash Disbursements:		
Contracts & Improvements	0	910
Salaries and Benefits	6,875	2,545
Supplies and Materials	391	657
Accounting, Legal Fees, Insurance	11,560	7,200
Equipment	444	0
	19,270	11,312
Total Cash Receipts Over Cash Disbursements	18,025	23,474
Cash Balance, January 1	164,431	140,957
Cash Balance, December 31	\$182,456	\$164,431

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

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**HUNTER'S RUN CONSERVANCY DISTRICT
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Hunter's Run Conservancy 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 Directors appointed by the Court of Common Pleas. The District provides conservation and inspection of dams and levies.

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

B. Basis of Accounting

This 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.

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

C. Budgetary Process

Ohio Revised Code Section 6101.44 requires that each fund be budgeted annually. A budget of estimated cash disbursements is provided and approved by the Board of Directors for the period January 1 to December 31.

Appropriations

The Board must approve appropriation measures at or before the beginning of each fiscal year and must also approve any subsequent amendments. Total appropriations may not exceed the unencumbered balance plus estimated revenues.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

2. DEPOSITS

Deposits at December 31 were as follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	\$62,456	\$44,431
Interim Certificates of deposit	95,000	95,000
Long-term Certificate of Deposit	25,000	25,000
Total deposits	<u><u>\$182,456</u></u>	<u><u>\$164,431</u></u>

Deposits: Deposits are either (1) insured by the Federal Depository Insurance Corporation or (2) collateralized by the financial institution's public entity deposit pool.

**HUNTER'S RUN CONSERVANCY DISTRICT
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ended December 31, 2000 and December 31, 1999 follows:

2000 Budgeted vs. Actual Budgetary Basis Expenditures

Appropriation Authority	Budgetary Expenditures	Variance
\$120,000	\$19,270	\$100,730

1999 Budgeted vs. Actual Budgetary Basis Expenditures

Appropriation Authority	Budgetary Expenditures	Variance
\$120,000	\$11,312	\$108,688

4. ASSESSMENTS

The District is funded through assessments. The assessments are based on the value of all real property in the District. Assessments become a lien on January 1 preceding the October 1 date for which rates are adopted by the District. Payments are due to the County Auditor by December 31. If the property owner elects to make a semi-annual payment, the first half is due December 31. The second half is due the following June 20.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

5. RETIREMENT SYSTEM

The District's officials and employees belong 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.

Contribution rates are also prescribed by the Ohio Revised Code. For 2000, PERS members contributed 8.5% of their gross salaries. For 1999, PERS members contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries in 1999. The District contributed an amount equal to 10.84% of participants' gross salaries in 2000. The District has paid all contributions required through December 31, 2000.

6. RISK MANAGEMENT

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Errors and omissions



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

Board of Directors
Hunter's Run Conservancy District
Fairfield County
4585 Richland Road NE
Lancaster, Ohio 43138

We have audited the accompanying financial statements of Hunter's Run Conservancy District, Fairfield County, Ohio (the District), as of and for the years ended December 31, 2000 and December 31, 1999, and have issued our report thereon dated April 6, 2001. We conducted our audit 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 audit 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*.

Internal Control Over Financial Reporting

In planning and performing our audit, 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 one matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated April 6, 2001.

Hunter's Run Conservancy District
Fairfield County
Report on Compliance and on
Internal Control Required by *Government Auditing Standards*

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

JIM PETRO
Auditor of State

April 6, 2001



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HUNTER'S RUN CONSERVANCY 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
MAY 24, 2001**