



Dave Yost • Auditor of State

CLARK COUNTY PARK DISTRICT
CLARK COUNTY

TABLE OF CONTENTS

| TITLE | PAGE |
|---|------|
| Cover Letter | 1 |
| Independent Accountants' Report..... | 3 |
| Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – General Fund - For the Years Ended December 31, 2010 and 2009 | 5 |
| Notes to the Financial Statements | 7 |
| Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> | 11 |
| Schedule of Findings..... | 13 |

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Dave Yost • Auditor of State

Clark County Park District
930 Tecumseh Road
Springfield, Ohio 45506

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.

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Dave Yost
Auditor of State

August 23, 2011

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Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Clark County Park District
930 Tecumseh Road
Springfield, Ohio 45506

To The Board of Park Commissioners:

We have audited the accompanying financial statements of the Clark County Park District, Clark County, (the District) as of and for the years ended December 31, 2010 and 2009. 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 fund the accompanying financial statements present, GAAP requires 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 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.

We were unable to obtain sufficient evidential matter supporting the amount reported as donations for the years ended December 31, 2010.

In our opinion, because of the effects of the matter discussed in the preceding paragraphs 3 and 4 above, the financial statements referred to above for the years ended December 31, 2010 and 2009 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, 2010 and 2009, or its changes in financial position for the years then ended.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine evidence regarding the donations referred to in paragraph 5 above, the financial statements referred to above present fairly, in all material respects, the fund cash balance and reserves for encumbrances of the Clark County Park District, Clark County, as of December 31, 2010 and 2009, and its cash receipts and disbursements for the years then ended on the accounting basis Note 1 described.

The District has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 23, 2011, 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.

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Dave Yost
Auditor of State

August 23, 2011

**CLARK COUNTY PARK DISTRICT
CLARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

| | 2010 | 2009 |
|---|-------------|-------------|
| Cash Receipts: | | |
| Local Government Funds | \$68,582 | \$72,648 |
| Rentals | 6,397 | 2,507 |
| Donations | 29,023 | 8,360 |
| Program Fees | 4,517 | 1,035 |
| Miscellaneous Receipts | 9,524 | 5,047 |
| Interest Income | 149 | 43 |
| County Grant | | 97,350 |
| Sale of Property | 175,168 | |
| Total Cash Receipts | 293,360 | 186,990 |
| Cash Disbursements: | | |
| Current Disbursements: | | |
| Personnel | 83,931 | 94,985 |
| Fringe Benefits | 38,312 | 34,305 |
| Utilities | 11,317 | 14,427 |
| Fuel | 1,870 | 2,106 |
| Taxes | 2,405 | 8,040 |
| Other | 16,380 | 12,494 |
| Capital Outlay | 3,500 | 11,353 |
| Total Cash Disbursements | 157,715 | 177,710 |
| Total Receipts Over/(Under) Disbursements | 135,645 | 9,280 |
| Fund Cash Balances, January 1 | 42,805 | 33,525 |
| Fund Cash Balances, December 31 | \$178,450 | \$42,805 |
| Reserve for Encumbrances, December 31 | \$7,016 | \$5,451 |

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

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**CLARK COUNTY PARK DISTRICT
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009**

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 Clark County Park District, Clark County, (the District) as a body corporate and politic. The Probate Judge of Clark 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 First Mad River Light Artillery and the Hertzler House Committee are committees of the Clark County Part District. During fiscal years 2009 and 2010, they maintained checking accounts outside the District's authority. Because they are actually part of the District, their financial activities are included in this report.

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 Clark 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. In addition to the funds held by the Clark County Treasurer the Clark County Park District maintains accounts at Security National, Key Bank, and Wesbanco Bank of which the financial transactions for 2010 and 2009 are disclosed in the attached financial statements.

The District's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The District had no investments at December 31, 2009 or December 31, 2010.

D. Fund Accounting

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District only utilizes a General Fund.

**CLARK COUNTY PARK DISTRICT
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 function level of control, and appropriations may not exceed estimated resources. The District must annually approve appropriation measures and subsequent amendments.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1.

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 re-appropriated.

A summary of 2010 and 2009 budgetary activity appears in Note 2.

F. 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.

G. 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. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2010 and 2009 follows:

| Budgeted vs. Actual Receipts | | | |
|-------------------------------------|------------------------------|----------------------------|-----------------|
| Year | Budgeted Receipts | Actual Receipts | Variance |
| 2009 General Fund | \$210,214 | \$186,990 | (\$23,224) |
| 2010 General Fund | \$205,828 | \$293,360 | \$87,532 |

| Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|------------------------------------|-----------------------------------|-----------------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| 2009 General Fund | \$190,347 | \$183,161 | \$ 7,186 |
| 2010 General Fund | \$198,489 | \$164,731 | \$33,758 |

**CLARK COUNTY PARK DISTRICT
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009
(Continued)**

3. Equity in Pooled Deposits and Investments

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

| | 2010 | 2009 |
|--|-----------|----------|
| Demand deposits | \$173,059 | \$16,442 |
| Other time deposits (savings and NOW accounts) | 1,251 | 1,249 |
| Funds held by Clark County Treasurer (custodian) | 4,140 | 25,114 |
| Total deposits | \$178,450 | \$42,805 |

Deposits: Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by the financial institution's public entity deposit pool.

4. 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 2009 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, 2010.

5. RISK MANAGEMENT

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles;
- Law Enforcement, and
- Errors and omissions

6. SUBSEQUENT EVENTS

The Clark County Park District has approved the placement of an operating levy on the November 2011 ballot for .6 mills, which would generate approximately \$1,390,000. Of the funds generated, per signed agreement, approximately 72% will go to the National Trail Parks & Recreation District and the remaining 28% will remain with the Clark County Park District.

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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

Clark County Park District
930 Tecumseh Road
Springfield, Ohio 45506

To The Board of Park Commissioners:

We have audited the financial statements of the Clark County Park District, Clark County, (the District) as of and for the years ended December 31, 2010 and 2009 and have issued our report thereon dated August 23, 2011, wherein we qualified our opinion for donations received in 2010. 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness and a significant deficiency.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider finding 2010-002 described in the accompanying schedule of findings 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, 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 an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2010-001.

We also noted certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated August 23, 2011.

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.

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

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Dave Yost
Auditor of State

August 23, 2011

**CLARK COUNTY PARK DISTRICT
CLARK COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2010 AND 2009**

| |
|--|
| FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS |
|--|

FINDING NUMBER 2010-001

Noncompliance Citation

Per **Ohio Rev. Code §117.38**, cash-basis entities must file annual reports with the Auditor of State within 60 days of the fiscal year-end. The Auditor of State may prescribe by rule or guidelines the forms for these reports. However, if the Auditor of State has not prescribed a reporting form, the public office shall submit its report on the form used by the public office. Any public office not filing the report by the required date shall pay a penalty of \$25 for each day the report remains unfiled, not to exceed \$750. The AOS may waive these penalties, upon the filing of the past due financial report.

The report shall contain the amount of: (A) receipts, and amounts due from each source; (B) expenditures for each purpose; (C) income of any public service industry that the entity owns or operates, as well as the costs of ownership or operation; and (D) public debt of each taxing district, the purpose of the debt, and how the debt will be repaid.

Additionally, public offices must publish notice in a local newspaper stating the financial report is available for public inspection at the office of the chief fiscal officer.

The Park District did not file financial statements with the Auditor of State's office for fiscal years 2009 or 2010. With no financial statements being prepared, they are not available for public inspection.

The Park District should prepare financial statements and submit them to the Auditor of State within 60 days of year end. Additionally, these statements should be available for public inspection.

Official's Response:

The Park District was not aware that our fiscal agent, Clark County Auditors Dept. had not filed the required financial statements. The District was under the mistaken assumption that since all record keeping and reporting was handled by Clark County Auditors, that they had made the necessary filings. Since this is the first audit, we are now aware that it is the districts' responsibility and will file the required forms for 2010 and 2009 with the Auditor of State as soon as possible.

FINDING NUMBER 2010-002

Material Weakness

The Park District received donations and other miscellaneous revenue from the public in order to support the daily operations of the Park and maintain levels of activity.

Upon receipt of the monies, the Park District deposited the funds directly into the Park District's bank account or with the County Auditor/County Treasurer's office. However, there was no receipt given at the time of donation, nor any acknowledgement of the donation in the minutes and therefore, no documentation that can be audited to determine that all funds were properly deposited and restricted, if applicable.

The Park District should implement policies and procedures that will require that a receipt be written to anyone who wishes to provide a donation or other miscellaneous revenue to the Park District. The original receipt should be maintained by the Executive Director or Park District staff and a copy should be given to the public. Failure to implement internal controls and not maintain supporting documentation could potentially result in miss-posting of revenues, not depositing monies in a timely manner, or the loss of funds.

Official's Response:

The Park District has as a regular practice to send a written acknowledgement of each donation to the donors. However, we were not aware of the requirement that donations be acknowledged in our meeting minutes. The district will implement a policy at our next board meeting that will require a receipt be written to anyone who wishes to provide a donation or other miscellaneous revenue to the district; and a donor list will be approved at the monthly board meeting and the approved list will be included in the official minutes file.



Dave Yost • Auditor of State

CLARK COUNTY PART DISTRICT

CLARK 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