

**HOLMES COUNTY PARK DISTRICT  
HOLMES COUNTY**

**FINANCIAL STATEMENTS  
(AUDITED)**

**FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

**JENNIFER HALVERSON, DIRECTOR**





# Dave Yost • Auditor of State

Board of County Park District Commissioners  
Holmes County Park District  
1 Trail Drive, Suite A  
Millersburg, Ohio 44654

We have reviewed the *Independent Auditor's Report* of the Holmes County Park District, Holmes County, prepared by Julian & Grube, Inc., for the audit period January 1, 2012 through December 31, 2013. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Holmes County Park District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

July 18, 2014

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**HOLMES COUNTY PARK DISTRICT  
HOLMES COUNTY**

**FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

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## **Julian & Grube, Inc.**

*Serving Ohio Local Governments*

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### Independent Auditor's Report

Holmes County Park District  
Holmes County  
1 Trail Drive, Suite A  
Millersburg, Ohio 44654

To the Board of Park District Commissioners:

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

We have audited the accompanying financial statements and related notes of the Holmes County Park District, Holmes County, Ohio, as of and for the years ended December 31, 2013 and 2012.

#### ***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 statements misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Holmes County Park 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 Holmes County Park 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 statements presentation.

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

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

As described in Note 1 of the financial statements, the Holmes County Park 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, to satisfy requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***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 Holmes County Park District as of December 31, 2013 and 2012, or changes in financial position 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 combined cash balances of the Holmes County Park District, Holmes County, Ohio, as of December 31, 2013 and 2012, and its combined statement of cash receipts and disbursements 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 1.

***Emphasis of Matter***

As discussed in Note 2 to the financial statements, during 2012, Holmes County Park District adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". Our opinion is not modified with respect to this matter.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 2014, on our consideration of the Holmes County Park 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 Holmes County Park District's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
April 25, 2014

**HOLMES COUNTY PARK DISTRICT  
HOLMES COUNTY, OHIO**

COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CHANGES IN FUND BALANCES (CASH BASIS) - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Governmental Fund Types</u>		Total (Memorandum Only)
	<u>General</u>	<u>Capital Projects</u>	
Cash receipts:			
Property taxes	\$ 105,559	\$ -	\$ 105,559
Charges for services	22,395	-	22,395
Intergovernmental	13,478	712,756	726,234
Earnings on investments	-	427	427
Miscellaneous	-	1,639	1,639
Total cash receipts	<u>141,432</u>	<u>714,822</u>	<u>856,254</u>
Cash disbursements:			
Current:			
Conservation / Recreation			
Salaries	56,650	-	56,650
Fringe Benefits	22,513	-	22,513
Materials and Supplies	13,281	-	13,281
Contract-Repairs	860	-	860
Contract-Services	6,977	8,637	15,614
Utilities	9,099	-	9,099
Rentals	3,897	-	3,897
Advertising and Printing	1,205	-	1,205
Other expense	5,019	6,189	11,208
Capital outlay	-	547,336	547,336
Total cash disbursements	<u>119,501</u>	<u>562,162</u>	<u>681,663</u>
Excess of receipts over/(under) disbursements	<u>21,931</u>	<u>152,660</u>	<u>174,591</u>
Other financing receipts/(disbursements):			
Operating transfers in	-	25,000	25,000
Operating transfers out	<u>(25,000)</u>	<u>-</u>	<u>(25,000)</u>
Total other financing receipts/(disbursements)	<u>(25,000)</u>	<u>25,000</u>	<u>-</u>
Net change in fund cash balances	(3,069)	177,660	174,591
Fund cash balances, January 1, 2013	<u>42,081</u>	<u>187,590</u>	<u>229,671</u>
Fund cash balances December 31, 2013:			
Restricted	-	340,250	340,250
Assigned	-	25,000	25,000
Unassigned	39,012	-	39,012
Fund cash balances, December 31, 2013	<u>\$ 39,012</u>	<u>\$ 365,250</u>	<u>\$ 404,262</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**HOLMES COUNTY PARK DISTRICT  
HOLMES COUNTY, OHIO**

COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES  
IN FUND BALANCES (CASH BASIS) - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Governmental Fund Types</u>		Total (Memorandum Only)
	<u>General</u>	<u>Capital Projects</u>	
Cash receipts:			
Property taxes	\$ 106,224	\$ -	\$ 106,224
Charges for services	24,003	-	24,003
Intergovernmental	13,341	750,094	763,435
Earnings on investments	-	785	785
Miscellaneous	2	1,289	1,291
Total cash receipts	<u>143,570</u>	<u>752,168</u>	<u>895,738</u>
Cash disbursements:			
Current:			
Conservation / Recreation			
Salaries	49,218	-	49,218
Fringe Benefits	19,080	-	19,080
Materials and Supplies	11,482	-	11,482
Contract-Repairs	980	-	980
Contract-Services	13,454	246,721	260,175
Utilities	8,018	-	8,018
Rentals	3,756	-	3,756
Advertising and Printing	1,173	-	1,173
Other expense	7,817	16,075	23,892
Capital outlay	-	713,340	713,340
Total cash disbursements	<u>114,978</u>	<u>976,136</u>	<u>1,091,114</u>
Excess of receipts over/(under) disbursements	<u>28,592</u>	<u>(223,968)</u>	<u>(195,376)</u>
Other financing receipts/(disbursements):			
Operating transfers in	-	35,000	35,000
Operating transfers out	<u>(35,000)</u>	<u>-</u>	<u>(35,000)</u>
Total other financing receipts/(disbursements)	<u>(35,000)</u>	<u>35,000</u>	<u>-</u>
Net change in fund cash balances	(6,408)	(188,968)	(195,376)
Fund cash balances, January 1, 2012	<u>48,489</u>	<u>376,558</u>	<u>425,047</u>
Fund cash balances December 31, 2012:			
Restricted	-	185,967	185,967
Assigned	-	1,623	1,623
Unassigned	42,081	-	42,081
Fund cash balances, December 31, 2012	<u>\$ 42,081</u>	<u>\$ 187,590</u>	<u>\$ 229,671</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**HOLMES COUNTY PARK DISTRICT  
HOLMES COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

**NOTE 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 Holmes County Park District, Holmes County, (the "District") as a body corporate and politic. The probate judge of Holmes 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 also operates a recreational program, which includes many activities for the residents of Holmes County. The activities include Walking on to Wellness, Youth Volleyball, Youth Track, Youth Softball, Youth Golf, Youth Basketball, and Youth Soccer.

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. Deposits and Investments**

As the Ohio Revised Code permits, the Holmes 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 accounts of the District are maintained on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. 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. 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.

**HOLMES COUNTY PARK DISTRICT  
HOLMES COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**2. Capital Project Funds**

These funds account for and report financial resources that are restricted, assigned or committed to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The District had the following capital project fund:

*Park Land and Building Fund (N-27)* - This fund receives grants primarily and is used to aid in the development of park and recreational 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.

**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 2013 and 2012 budgetary activity appears in Note 3.

**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.

**HOLMES COUNTY PARK DISTRICT  
HOLMES COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**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**

The Commissioners 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.

**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 the District Commissioners 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 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.

**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.

**I. Interfund Transactions**

During the course of normal operations, the District had a transaction between funds. This included a transfer of resources from one fund to another fund. The resources transferred are to be expended for operations by the necessary fund and are recorded as operating transfers. Advances are temporary loans to other funds which will ultimately be repaid.

**HOLMES COUNTY PARK DISTRICT  
HOLMES COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

**NOTE 2 - CHANGE IN ACCOUNTING PRINCIPLE**

For fiscal year 2012, the District implemented Governmental Accounting Standard Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" which are discussed in Note 1.F.

**NOTE 3 - BUDGETARY ACTIVITY**

Budgetary activity for the years ending 2013 and 2012 follows:

2013 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 184,883	\$ 141,432	\$ (43,451)
Capital Projects	1,507,690	739,822	(767,868)
Total	\$ 1,692,573	\$ 881,254	\$ (811,319)

2013 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 183,700	\$ 144,501	\$ 39,199
Capital Projects	1,473,900	562,162	911,738
Total	\$ 1,657,600	\$ 706,663	\$ 950,937

2012 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 192,489	\$ 143,570	\$ (48,919)
Capital Projects	1,762,558	787,168	(975,390)
Total	\$ 1,955,047	\$ 930,738	\$ (1,024,309)

2012 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 192,000	\$ 150,678	\$ 41,322
Capital Projects	1,460,000	976,136	483,864
Total	\$ 1,652,000	\$ 1,126,814	\$ 525,186

**HOLMES COUNTY PARK DISTRICT  
HOLMES COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

**NOTE 4 - PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which the District 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.

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

**NOTE 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 2013 and 2012, OPERS members contributed 10%, respectively, of their gross salaries and the District contributed an amount equaling 14%, respectively, of participants' gross salaries. The District has paid all contributions required through December 31, 2013.

**NOTE 6 - RISK MANAGEMENT**

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and,
- Errors and omissions.

**NOTE 7 - CONTINGENT LIABILITIES**

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor principally the federal government. 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.

**HOLMES COUNTY PARK DISTRICT  
HOLMES COUNTY**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

**NOTE 8 - INTERFUND ACTIVITY**

The District had the following transfers for the year ended December 31, 2013:

<u>Fund Type/Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ -	\$ 25,000
 <u>Capital Projects Fund</u>		
Capital Projects	<u>25,000</u>	<u>-</u>
Total	<u>\$ 25,000</u>	<u>\$ 25,000</u>

The District had the following transfers for the year ended December 31, 2012:

<u>Fund Type/Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ -	\$ 35,000
 <u>Capital Projects Fund</u>		
Capital Projects	<u>35,000</u>	<u>-</u>
Total	<u>\$ 35,000</u>	<u>\$ 35,000</u>

The transfers, in both 2013 and 2012, from the General fund to the Capital Projects fund were to pay for future projects.

The above transfers were made in accordance with the Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.



## Julian & Grube, Inc.

*Serving Ohio Local Governments*

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

### **Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required By *Government Auditing Standards***

Holmes County Park District  
Holmes County  
1 Trail Drive, Suite A  
Millersburg, Ohio 44654

To the Board of Park District 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 Holmes County Park District, Holmes County, Ohio, as of and for the years ended December 31, 2013 and 2012 and the related notes to the financial statements and have issued our report thereon dated April 25, 2014 wherein we noted the Holmes County Park District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permit. In addition, as described on Note 2, Holmes County Park District adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions".

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

As part of our financial statement audit, we considered the Holmes County Park 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 opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Holmes County Park 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 Holmes County Park 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. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses that we consider a significant deficiency in internal control. We consider finding 2013-HCPD-001 to be a significant deficiency.

Board of Park District Commissioners  
Holmes County Park District

***Compliance and Other Matters***

As part of reasonably assuring whether the Holmes County Park 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 statements 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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Response to Finding***

The Holmes County Park District's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the Holmes County Park District's response and, accordingly, we express no opinion on it.

***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 Holmes County Park District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Holmes County Park District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julian & Grube, Inc.  
April 25, 2014

**HOLMES COUNTY PARK DISTRICT  
HOLMES COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2013 AND 2012**

<b>FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>	
Finding Number	2013-HCPD-001

**Significant Deficiency - Financial Statement Presentation**

Accurate financial reporting is required in order to provide management and the Board with objective and timely information to enable well-informed decisions.

For the years ended December 31, 2013 and 2012, the Park District did not record on behalf payments from the Ohio Department of Transportation (ODOT) in the amounts of \$547,336 and \$149,213, respectively.

For the year ended December 31, 2012, the Park District did not record on behalf payments from the Ohio Public Works Commission (OPWC) in the amount of \$564,127. The financial statements include these adjustments.

The lack of recording these monies understated the Park District's receipts and disbursements in their financial information presented to the Board.

We recommend the Park District review Auditor of State Bulletin 2002-004 for additional guidance and consideration, should they receive similar funds in the future. The Park District should develop additional internal controls to ensure these amounts are included on the financial statements prior to providing to the auditor.

Client Response: The Park District is aware of the requirements and will consult with their computer technician to develop a method to include these amounts as they incur or will manually add them to year end financial reports.

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# Dave Yost • Auditor of State

**HOLMES COUNTY PARK DISTRICT**

**HOLMES 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  
JULY 31, 2014**