



Dave Yost • Auditor of State

NEW ALBANY PLAIN LOCAL JOINT PARK DISTRICT
FRANKLIN COUNTY

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

New Albany Plain Local Joint Park District
Franklin County
7860 Bevelhimer Road
New Albany, Ohio 43054

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements and related notes of New Albany Plain Local Joint Park District, Franklin County, Ohio (the District) 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 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 opinion.

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

As described in Note 1 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, to satisfy these 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.

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 permitted 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, 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 fund cash balances of New Albany Plain Local Joint Park District, Franklin County, Ohio as of December 31, 2013 and 2012, and its 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 7, 2015, 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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State
Columbus, Ohio

April 7, 2015

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**NEW ALBANY PLAIN LOCAL JOINT PARK DISTRICT
FRANKLIN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND CASH BALANCES- ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Project</u>	<u>Agency Fund</u>	<u>Total Governmental</u>
Cash Receipts					
Taxes	\$ 438,690	\$ 772,518	\$ -	\$ -	\$ 1,211,208
Intergovernmental	52,971	90,693	-	-	143,664
Registration Fees	175,768	-	-	-	175,768
Interest	139	-	-	-	139
Miscellaneous	106,346	8,698	-	-	115,044
Donations	19,791	-	-	-	19,791
Concessions	40,988	-	-	-	40,988
<i>Total Cash Receipts</i>	<u>834,693</u>	<u>871,909</u>	<u>-</u>	<u>-</u>	<u>1,706,602</u>
Cash Disbursements					
Personnel	281,411	-	-	-	281,411
Administrative	35,049	11,890	-	-	46,939
Utilities	79,713	-	-	-	79,713
Maintenance	374,502	-	-	-	374,502
Insurance	23,561	-	-	-	23,561
Debt Service:					
Redemption of Principal	-	580,000	-	-	580,000
Interest and Other Fiscal Charges	-	183,767	-	-	183,767
<i>Total Cash Disbursements</i>	<u>794,236</u>	<u>775,657</u>	<u>-</u>	<u>-</u>	<u>1,569,893</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	40,457	96,252	-	-	136,709
Non-Operating Receipts (Disbursements)					
Registration Fees	-	-	-	467,756	467,756
Interest	-	-	-	30	30
Administrative	-	-	-	(451,016)	(451,016)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,770</u>	<u>16,770</u>
<i>Net Change in Fund Cash Balances</i>	40,457	96,252	-	16,770	153,479
<i>Fund Balance, January 1:</i>	<u>278,283</u>	<u>268,343</u>	<u>1,058</u>	<u>132,909</u>	<u>680,593</u>
Fund Cash Balances, December 31					
Restricted	-	364,595	1,058	149,679	515,332
Assigned	150,001	-	-	-	150,001
Unassigned	168,739	-	-	-	168,739
<i>Fund Cash Balances, December 31</i>	<u>\$ 318,740</u>	<u>\$ 364,595</u>	<u>\$ 1,058</u>	<u>\$ 149,679</u>	<u>\$ 834,072</u>

See accompanying notes to the financial statements.

**NEW ALBANY PLAIN LOCAL JOINT PARK DISTRICT
FRANKLIN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND CASH BALANCES- ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	General	Debt Service	Capital Project	Agency Fund	Total Governmental
Cash Receipts					
Taxes	\$ 432,303	\$ 760,890	\$ -	\$ -	\$ 1,193,193
Intergovernmental	52,313	89,417	-	-	141,730
Registration Fees	145,455	-	-	-	145,455
Interest	653	-	-	-	653
Miscellaneous	49,856	910	-	-	50,766
Donations	27,736	-	-	-	27,736
Concessions	34,154	-	-	-	34,154
<i>Total Cash Receipts</i>	742,470	851,217	-	-	1,593,687
Cash Disbursements					
Personnel	260,542	-	-	-	260,542
Administrative	89,292	11,033	-	-	100,325
Utilities	77,133	-	-	-	77,133
Maintenance	348,064	-	-	-	348,064
Insurance	21,724	-	-	-	21,724
Debt Service:					
Redemption of Principal	-	525,000	-	-	525,000
Interest and Other Fiscal Charges	-	291,559	-	-	291,559
<i>Total Cash Disbursements</i>	796,755	827,592	-	-	1,624,347
<i>Excess of Receipts Over/(Under) Disbursements</i>	(54,285)	23,625	-	-	(30,660)
Other Financing Receipts (Disbursements)					
Proceeds on refunding bonds	-	6,539,476	-	-	6,539,476
Payment to refunding bond escrow agent	-	(6,539,476)	-	-	(6,539,476)
<i>Total Other Financing Receipts (Disbursements)</i>	-	-	-	-	-
Non-Operating Receipts (Disbursements)					
Registration Fees	-	-	-	361,130	361,130
Interest	-	-	-	76	76
Administrative	-	-	-	(341,470)	(341,470)
<i>Total Non-Operating Receipts (Disbursements)</i>	-	-	-	19,736	19,736
<i>Net Change in Fund Cash Balances</i>	(54,285)	23,625	-	19,736	(10,924)
<i>Fund Balance, January 1:</i>	332,568	244,718	1,058	113,173	691,517
Fund Cash Balances, December 31					
Restricted	-	268,343	1,058	132,909	402,310
Assigned	152,593	-	-	-	152,593
Unassigned	125,690	-	-	-	125,690
<i>Fund Cash Balances, December 31</i>	<u>\$ 278,283</u>	<u>\$ 268,343</u>	<u>\$ 1,058</u>	<u>\$ 132,909</u>	<u>\$ 680,593</u>

See accompanying notes to the financial statements.

**NEW ALBANY PLAIN LOCAL JOINT PARK DISTRICT
FRANKLIN COUNTY**

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

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 New Albany Plain Local Joint Park District, Franklin County, (the District) as a body corporate and politic. The District was created in April 1999 as a jointly governed organization among the City of New Albany, Plain Township, and the Plain Local School District pursuant to provisions of the Ohio Revised Code. The District's mission is the efficient development, funding and maintenance of active parks and passive recreation areas for the residents of the City of New Albany, Plain Township, and the Plain Local School District. The original term of the District expired on April 30, 2002. The provisions of the agreement state that the term may be renewed and extended for additional successive terms of 15 years each by appropriate resolutions. In July of 2012, the District voted to extend its life indefinitely.

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 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 Board 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.

C. Deposit and Investments

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.

D. 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:

1. General Fund

The General Fund accounts for and reports all financial resources not accounted for and reported in another fund.

**NEW ALBANY PLAIN LOCAL JOINT PARK DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued)

2. Debt Service Fund

This fund accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The District's Debt Service Fund accounts for resources the District accumulates to pay general obligation debt.

3. Capital Project Fund

This fund accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The District's Capital Projects Fund accounts for receipts and disbursements restricted to acquiring or constructing major capital projects of the District.

4. Agency Fund

This fund is used to account for assets that are received by the District to be held or disbursed on behalf of the person or organization from whom they were received.

E. Budgetary Process

The Ohio Revised Code requires that each fund (except certain agency funds) be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the object level of control, and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts). The County Budget Commission must 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 canceled, and reappropriated in the subsequent year.

A summary of 2013 and 2012 budgetary activity appears in Note 3.

**NEW ALBANY PLAIN LOCAL JOINT PARK DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

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.

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

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

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 District Commissioners or a District 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 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.

**NEW ALBANY PLAIN LOCAL JOINT PARK DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

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.

2. Equity in Pooled Deposits

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

	2013	2012
Demand deposits	\$694,744	\$534,594
Sweep Account	139,328	145,999
Total deposits	\$834,072	\$680,593

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2013 and 2012 follows:

2013 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$837,221	\$834,693	(\$2,528)
Debt Service	865,000	871,909	6,909
Total	\$1,702,221	\$1,706,602	\$4,381

2013 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$828,000	\$794,236	\$33,764
Debt Service	831,193	775,657	55,536
Total	\$1,659,193	\$1,569,893	\$89,300

**NEW ALBANY PLAIN LOCAL JOINT PARK DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

3. Budgetary Activity (Continued)

2012 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$737,982	\$743,528	\$5,546
Debt Service	867,606	7,390,693	6,523,087
Total	\$1,605,588	\$8,134,221	\$6,528,633

2012 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$805,300	\$796,755	\$8,545
Debt Service	831,193	7,367,068	(6,535,875)
Total	\$1,636,493	\$8,163,823	(\$6,527,330)

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the Debt Service Fund by \$6,535,875 for the year ended December 31, 2012.

4. Property Tax

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

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30. The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

5. Debt

Debt outstanding at December 31, 2013 was as follows:

	Principal	Interest Rate
General Obligation Bonds	\$6,744,476	2 - 2.25 %
Total	\$6,744,476	

The District issued bonds in July 2003 for the purpose of extending, enlarging, and improving new and existing land, recreation facilities, fields, indoor recreation centers, leisure trails, with related landscaping, site improvements, utility lines and equipment thereof; constructing and paving parking lots to serve the District; and retiring of anticipation notes. Bonds were issued in the amount of \$4,999,992 for a term of 20 years at an interest rate ranging from 2% to 7.198%. Bond principal is due December 1st of each year. Bond interest is due on June 1st and December 1st of each year.

**NEW ALBANY PLAIN LOCAL JOINT PARK DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

5. Debt (Continued)

The District issued bonds in March 2005 for the purpose of extending, enlarging, and improving new and existing land, recreation facilities, fields, indoor recreation centers, leisure trails, with related landscaping, site improvements, utility lines and equipment thereof; constructing and paving new and existing parking lots to serve the District; and acquiring lands and buildings. Bonds were issued in the amount of \$6,000,000 for a term of 20 years at an interest rate ranging from 3% to 4.25%. Bond principal is due December 1st of each year. Bond interest is due on June 1st and December 1st of each year.

The District issued two advance refunding bonds in 2012 to advance refund outstanding general obligation bonds issued in July 2003 and March 2005. Bonds were issued in the amount of \$2,980,000 and \$3,559,476 respectively, both expiring in 2024 at an interest rate ranging from 2% to 2.25%. Bond principal is due December 1st of each year. Bond interest is due on June 1st and December 1st of each year.

Principal and interest requirements for bonds outstanding at December 31, 2013 are:

Year ending December 31:	Principal	Interest	Total
2014	\$595,000	\$166,555	\$761,555
2015	620,000	150,238	\$770,238
2016	635,000	137,838	\$772,838
2017	640,000	125,138	\$765,138
2018	650,000	112,338	\$762,338
2019-2024	3,604,476	634,161	4,238,638
Total	<u>\$6,744,476</u>	<u>\$1,326,266</u>	<u>\$8,070,743</u>

6. 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% 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, 2013.

7. Risk Management

Commercial Insurance

The District has obtained commercial insurance for the following risks:

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

**NEW ALBANY PLAIN LOCAL JOINT PARK DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(Continued)**

8. Leases

The District leases land from the City of New Albany. Pursuant to the lease, the District may use the land free of charge provided that, at its own cost, the District develops a public recreational park and related improvements to the premises. The lease expires in 2014, but will automatically renew for additional successive 15-year terms as long as the District remains in existence.

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

New Albany Plain Local Joint Park District
Franklin County
7860 Bevelhymmer Road
New Albany, Ohio 43054

To the Board of Trustees:

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 New Albany Plain Local Joint Park District, Franklin County, Ohio, (the District) 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 7, 2015 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 opinion 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. 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.

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 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. We consider finding 2013-001 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, 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 instances of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as items 2013-002 and 2013-003.

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

April 7, 2015

**NEW ALBANY PLAIN LOCAL JOINT PARK DISTRICT
FRANKLIN COUNTY**

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

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2013-001

Material Weakness - Financial Reporting

Sound financial reporting is the responsibility of the District Treasurer and Board and is essential to ensure the information provided to the readers of the financial statements is complete and accurate. Lack or failure of controls over the posting of financial transactions and financial reporting can result in errors and irregularities that may go undetected and decreases the reliability of the financial data throughout the year.

The December 31, 2012 financial statements and where applicable, accounting records, reflect the following:

- Reclassification of \$152,593 unassigned fund balance to assigned fund balance in the General Fund for monies not properly classified in the maintenance account.
- Adjustment of \$19,541 to beginning fund balance in the General Fund to correct accounting adjustments from the prior audit.
- Adjustment of \$1,058 to transfer funds back to the Capital Projects fund from the General Fund for an unallowable transfer. See also Finding 2013-003.
- Adjustment of \$19,338 to beginning fund balance in the Debt Service Fund to correct accounting adjustments from the prior audit.
- Adjustment of \$6,539,476 to Proceeds from Refunding Bonds and Payment to Refunding Bond Escrow Agent that were not recorded on the financial statements in the Debt Service Fund.
- Adjustment of \$319 to beginning fund balance in the Agency Fund to correct accounting adjustments from the prior audit.

The December 31, 2013 financial statements and where applicable, accounting records, reflect the following:

- Reclassification of \$150,001 unassigned fund balance to assigned fund balance in the General Fund for monies not properly classified in the maintenance account.

We recommend that policies and procedures be implemented for a review process that includes an independent source to ensure that similar errors are not reported on financial statements in subsequent years. Such procedures may include the reviewing the accuracy of financial statement components and all other related supplemental information as well as comparisons of current financial information to prior audit years for obvious errors or omissions.

Officials' Response

Prior year audit adjustments have been recorded.

**NEW ALBANY PLAIN LOCAL JOINT PARK DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2013 AND 2012
(CONTINUED)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (CONTINUED)
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FINDING NUMBER 2013-002

Material Non-compliance – Expenditures Exceeding Appropriations

Ohio Rev. Code § 5705.41(B) states no subdivision or taxing unit is to expend money unless it has been appropriated.

The District did not amend their appropriations for the debt service fund for fiscal year 2012, when the bond refunding was used to pay-off existing debt. As a result, adjusted expenditures exceeded a duly authorized appropriation measure.

We recommend that the Board of Trustees amend the appropriation measure when it becomes apparent appropriations will be exceeded by expenditures. The District should consult with its legal counsel and review the Auditor of State’s Ohio Compliance Supplement and develop a budgetary strategy to assure this respective budgetary compliance requirement is met.

Officials’ Response

Appropriations will be amended when necessary to meet expenditures.

FINDING NUMBER 2013-003

Material Non-compliance – Transfer of Funds

Ohio Rev. Code § 5705.14(B) states the unexpended balance in any specific permanent improvement fund, other than a bond fund, after the payment of all obligations incurred in the acquisition of such improvement, shall be transferred to the sinking fund or bond retirement fund of the subdivision; provided that if such money is not required to meet the obligations payable from such funds, it may be transferred to a special fund for the acquisition of permanent improvements, or, with the approval of the court of common pleas of the county in which such subdivision is located, to the general fund of the subdivision.

As noted in finding 2013-001, during 2012 the District transferred the unexpended balance of the Capital Projects Fund (\$1,058) to the General Fund without the proper approval of the Franklin County Court of Common Pleas.

**NEW ALBANY PLAIN LOCAL JOINT PARK DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2013 AND 2012
(CONTINUED)**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (CONTINUED)**

FINDING NUMBER 2013-003 (CONTINUED)

Material Non-compliance – Transfer of Funds (Continued)

We recommend that the District obtain the proper approval from the Franklin County Court of Common Pleas prior to transferring these monies out of the Capital Projects Fund. The District should also consult with its legal counsel and review the Ohio Revised Code and the Auditor of State's Ohio Compliance Supplement prior to making any transfers from this fund.

Officials' Response

The funds have been transferred back to the Capital Projects account.

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Dave Yost • Auditor of State

NEW ALBANY PLAIN LOCAL JOINT PARK DISTRICT

FRANKLIN 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 7, 2015**