



Dave Yost • Auditor of State



**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Sandusky County Park District  
Sandusky County  
1970 Countryside Place  
Fremont, Ohio 43420-8750

To the Board of Commissioners:

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

We have audited the accompanying cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Sandusky County Park District, Sandusky County, Ohio (the District) as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements that are 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 opinions.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Sandusky County Park District, Sandusky County, Ohio, as of December 31, 2016 and 2015, and the respective changes in cash financial position and the respective budgetary comparison for the General and Creek Bend Farm funds thereof for the years then ended in accordance with the accounting basis described in Note 2.

**Accounting Basis**

We draw attention to Note 2 of the financial statements, which describes the accounting basis. The financial statements are prepared on the cash basis of accounting, which differs from generally accepted accounting principles. We did not modify our opinion regarding this matter.

**Other Matters**

*Other Information*

We applied no procedures to Management's Discussion and Analysis as listed in the table of contents. Accordingly, we express no opinion or any other assurance on it.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2017, 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.



**Dave Yost**  
Auditor of State

Columbus, Ohio

October 11, 2017

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
UNAUDITED**

The discussion and analysis of Sandusky County Park District's (the District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2016, within the limitations of the District's cash basis of accounting. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for 2016 are as follows:

**Revenue**

The totals for revenue were slightly down compared to 2015 and some recent years, however that was expected as we near the end of our fund raising efforts for the Wilson Nature Center. In the Creek Bend Farm Fund there was a little more than \$75,000 collected for the Wilson Nature Center through donations.

The district had another banner year in the amount of money collected related to charges for service in 2016. Of the over \$150,000 collected, most is derived from swim beach fees, camping fees, and shelter rentals, among other related services. This was due to a couple of factors; consistent and hot weather being the biggest factor followed closely by online reservations as well as taking credit cards increasing our ease of use for patrons.

Rental Income was down in 2016 from 2015 due to a property that was formerly leased to a farmer for agricultural purposes being restored to a natural area in 2016.

Lastly, in November 2016, the park district passed a 1 mill operating levy for ten years to be collected starting in 2017.

**Expense**

Overall, expenses were down in 2016 compared to 2015. There were relatively few capital expenditures in 2016, mostly due to timing.

Some notable expenses include \$20,000 for a contract with the Impact Group for Strategic Planning, nearly \$30,000 dollars at Staples for tables and chairs for rental facilities, and nearly \$50,000 to asphalt and crack sealing a portion of the bike trail.

**Using the Basic Financial Statements**

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the District's cash basis of accounting.

**Report Components**

The Statement of Net Position – Cash Basis and Statement of Activities – Cash Basis provide information about the cash activities of the District as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the District as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
UNAUDITED  
(Continued)**

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

**Basis of Accounting**

The basis of accounting is a set of guidelines that determine when financial events are recorded. The District has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). Under the District's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of the use of this cash basis of accounting, certain assets and deferred outflows of resources, liabilities and deferred inflows of resources, and the effects of these items on revenues and expenses are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

**Reporting the District as a Whole**

The Statement of Net Position-Cash Basis and the Statement of Activities – Cash Basis reflect how the District performed financially during 2016, within the limitations of the cash basis of accounting. The Statement of Net Position - Cash Basis presents the cash balances of the governmental activities of the District at year end. The Statement of Activities - Cash Basis compares disbursements with program receipts for each governmental activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of disbursements with program receipts identifies how each governmental function draws from the District's general receipts.

These statements report the District's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, one can think of these changes as one way to measure the District's financial health. Over time, increases or decreases in the District's cash position is one indicator of whether the District's financial health is improving or deteriorating. When evaluating the District's financial condition, one should also consider other non-financial factors as well such as the District's property tax base, the condition of the District's capital assets, the reliance on non-local financial resources for operations and the need for continued growth.

The Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis present governmental activities, which include all the District's services. The District has no business-type activities

**Reporting the District's Most Significant Funds**

**Fund Financial Statements**

Fund financial statements provide detailed information about the District's major funds - not the District as a whole. The District establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. All of the operating funds of the District are governmental.



**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
UNAUDITED  
(Continued)**

Governmental Funds - The District's activities are reported in governmental funds. The governmental fund financial statements provide a detailed short-term view of the District's governmental operations and the services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the District's programs. The District's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The District's major governmental funds are the General Fund and Creek Bend Farm Fund. The programs reported in the governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

**The District as a Whole**

The table below provides a summary of the District's net position for 2016 compared to 2015 on a cash basis.

	Governmental Activities	
	2016	2015
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$ 3,283,699	\$ 3,125,885
 <b>Net Position</b>		
Restricted for Other Purposes	\$ 389,263	\$ 438,056
Unrestricted	2,894,436	2,687,829
Total Net Position	\$ 3,283,699	\$ 3,125,885

Over time, net position can serve as a useful indicator of a government's financial position. The District's finances remained strong during 2016 and 2015.

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
UNAUDITED  
(Continued)**

	Governmental Activities	
	2016	2015
Receipts:		
Program Receipts:		
Charges for Services	\$ 155,155	\$ 132,466
Operating Grants and Contributions	82,910	80,262
Total Program Receipts	238,065	212,728
General Receipts:		
Property Taxes Levied for General Purposes	1,029,107	1,040,306
Grants and Entitlements not Restricted to Specific Programs	151,614	158,118
Interest	21,784	14,705
Miscellaneous	3,518	28,198
Rent	48,722	98,143
Total General Receipts	1,254,745	1,339,470
Total Receipts	1,492,810	1,552,198
Disbursements:		
Conservation and Recreation	1,334,996	1,368,298
Change in Net Position	157,814	183,900
Net Position, January 1	3,125,885	2,941,985
Net Position, December 31	\$ 3,283,699	\$ 3,125,885

**Governmental Activities**

The District's net position increased \$157,814 from 2015. Total governmental disbursements of \$1,334,996 were offset by program receipts of \$238,065 and general receipts of \$1,254,745. Program receipts supported 18 percent of the total governmental expenses. Operating grants and contributions increased by \$2,648 in 2016 mainly due to large donations to be used for constructing the new nature center. Charges for services receipts increased \$22,689 or 17 percent.

The primary source of revenue for governmental activities is derived from property tax receipts. This revenue source represents 69 percent of total governmental revenue.

Conservation and Recreation Services disbursements totaled \$1,334,996 or all of governmental disbursements for 2016.

The Statement of Activities – Cash Basis shows the cost of program services and operating grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2016 and 2015. That is, it identifies the cost of these services supported by contributions and unrestricted State grants and entitlements.

	<b>Governmental Activities</b>			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2016	2016	2015	2015
Program expenses:				
Conservation and Recreation	\$ 1,334,996	\$ 1,096,931	\$ 1,368,298	\$ 1,155,570

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
UNAUDITED  
(Continued)**

**The District's Funds**

The District's governmental funds reported a combined fund balance of \$3,283,669, which is \$157,814 more than last years' total of \$3,125,885. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2016 and 2015.

	Fund Balance, December 31		Increase / (Decrease)	Percentage Change
	2016	2015		
General	\$ 2,520,648	\$ 2,310,534	\$ 210,114	8.6%
Creek Bend Farm Fund	356,911	360,418	(3,507)	8.6%
Other Governmental	406,140	454,933	(48,793)	(-5.7)%
<b>Total Fund Balance</b>	<b>\$ 3,283,699</b>	<b>\$ 3,125,885</b>	<b>\$ 157,814</b>	<b>11.5%</b>

**General Fund Budgeting Highlights**

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During the course of 2016, the District did not amend its appropriations. The General Fund's final budgeted receipts and other financing sources was \$1,492,835. Actual receipt collections and other financing sources were \$1,492,729, \$106 less than final budget estimates. Actual budgetary-basis disbursements of \$1,337,419 were \$729,796 less than final estimates of \$2,067,215.

**Capital Assets**

The District does not include capital assets on its financial statements under the cash basis of accounting. The District records payments for capital assets as disbursements.

**Debt**

The District had no outstanding debt at December 31, 2016.

**Current Issues**

The District continues to be challenged in its effort to provide quality services to the public with limited, and in some areas shrinking funding. Programs and facility operations are reviewed and analyzed regularly to ensure the efficient use of resources. The District remains diligent in efforts to identify alternative funding sources and secure grants for operations and capital projects. Charges for services and contract rates are analyzed to ensure that costs to administer and carry out programs are covered.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to reflect the District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Andrew Brown, Director, Sandusky County Park District, 1970 Countryside Place, Fremont, Ohio 43420-8750.

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**STATEMENT OF NET POSITION - CASH BASIS  
DECEMBER 31, 2016**

	<b>Governmental Activities</b>
<b>Assets:</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 3,283,699
<b>Net Position:</b>	
Restricted for:	
Other Purposes	\$ 389,263
Unrestricted	2,894,436
Total Net Position	\$ 3,283,699

*See accompanying notes to the basic financial statements*

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Cash Disbursements</u>	<u>Program Cash Receipts</u>		<u>Net (Disbursements) Receipts and Changes in Net Position</u>
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
<b>Governmental Activities:</b>				
Conservation and Recreation	\$ 1,334,996	\$ 155,155	\$ 82,910	\$ (1,096,931)
<b>General Receipts:</b>				
Property Taxes Levied for General Purposes				1,029,107
Grants and Entitlements not Restricted to Specific Programs				151,614
Interest				21,784
Miscellaneous				3,518
Rent				48,722
				<u>1,254,745</u>
Total General Receipts				1,254,745
Change in Net Position				157,814
Net Position Beginning of Year				<u>3,125,885</u>
Net Position End of Year				<u>\$ 3,283,699</u>

*See accompanying notes to the basic financial statements*

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2016**

	<b>General</b>	<b>Creek Bend Farm</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$ 2,520,648</u>	<u>\$ 356,911</u>	<u>\$ 406,140</u>	<u>\$ 3,283,699</u>
<b>Fund Balances:</b>				
Restricted:				
Wolf Creek Project			\$ 175,211	\$ 175,211
Park Trail			206,729	206,729
Nature Works			5,718	5,718
Ranger Training Fund			720	720
Clean Ohio Conservation Grant			885	885
Committed:				
Creek Bend Farm		\$ 356,911		356,911
Sick Leave			16,877	16,877
Assigned:				
Encumbrances	\$ 54,804			54,804
Subsequent Year Appropriations	1,524,000			1,524,000
Unassigned	<u>941,844</u>			<u>941,844</u>
Total Fund Balances	<u>\$ 2,520,648</u>	<u>\$ 356,911</u>	<u>\$ 406,140</u>	<u>\$ 3,283,699</u>

*See accompanying notes to the basic financial statements*

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>General</u>	<u>Creek Bend Farm</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Receipts:</b>				
Property Taxes	\$ 1,029,107			\$ 1,029,107
Charges for Services	155,155			155,155
Intergovernmental	158,053		\$ 320	158,373
Investment Income	21,784			21,784
Other	2,633	\$ 76,151	885	79,669
Rent	25,997	22,725		48,722
<b>Total Receipts</b>	<u>1,392,729</u>	<u>98,876</u>	<u>1,205</u>	<u>1,492,810</u>
<b>Disbursements:</b>				
Conservation and Recreation	1,282,615	2,383	49,998	1,334,996
<b>Excess of Receipts Over (Under) Disbursements</b>	<u>110,114</u>	<u>96,493</u>	<u>(48,793)</u>	<u>157,814</u>
<b>Other Financing Sources (Uses):</b>				
Advances In	100,000			100,000
Advances Out		(100,000)		(100,000)
<b>Total Other Financing Sources (Uses)</b>	<u>100,000</u>	<u>(100,000)</u>		
<b>Net Change in Fund Balances</b>	210,114	(3,507)	(48,793)	157,814
<b>Fund Balances Beginning of Year</b>	<u>2,310,534</u>	<u>360,418</u>	<u>454,933</u>	<u>3,125,885</u>
<b>Fund Balances End of Year</b>	<u>\$ 2,520,648</u>	<u>\$ 356,911</u>	<u>\$ 406,140</u>	<u>\$ 3,283,699</u>

*See accompanying notes to the basic financial statements*

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts:</b>				
Property Taxes	\$ 1,173,335	\$ 1,024,017	\$ 1,029,107	\$ 5,090
Charges for Services	310,636	100,250	155,155	54,905
Intergovernmental	710,369	228,726	158,053	(70,673)
Investment Income	46,957	15,000	21,784	6,784
Other	12,040	4,000	2,633	(1,367)
Rent	124,014	40,000	25,997	(14,003)
Total Receipts	<u>2,377,351</u>	<u>1,411,993</u>	<u>1,392,729</u>	<u>(19,264)</u>
<b>Disbursements:</b>				
Conservation and Recreation	<u>2,067,215</u>	<u>2,067,215</u>	<u>1,337,419</u>	<u>729,796</u>
Excess of Receipts Over (Under) Disbursements	<u>310,136</u>	<u>(655,222)</u>	<u>55,310</u>	<u>710,532</u>
<b>Other Financing Sources:</b>				
Transfers In	<u>80,842</u>	<u>80,842</u>	<u>100,000</u>	<u>19,158</u>
Net Change in Fund Balance	390,978	(574,380)	155,310	729,690
Fund Balance Beginning of Year	2,272,529	2,272,529	2,272,529	
Prior Year Encumbrances Appropriated	<u>38,005</u>	<u>38,005</u>	<u>38,005</u>	
Fund Balance End of Year	<u>\$ 2,701,512</u>	<u>\$ 1,736,154</u>	<u>\$ 2,465,844</u>	<u>\$ 729,690</u>

*See accompanying notes to the basic financial statements*



**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
CREEK BEND FARM FUND  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts:</b>				
Rent	\$ 20,482	\$ 29,000	\$ 22,725	\$ (6,275)
Other	25,033	59,000	76,151	17,151
Total Receipts	<u>45,515</u>	<u>88,000</u>	<u>98,876</u>	<u>10,876</u>
<b>Disbursements:</b>				
Conservation and Recreation	<u>20,000</u>	<u>15,000</u>	<u>2,383</u>	<u>12,617</u>
Excess of Disbursements Over Receipts	<u>25,515</u>	<u>73,000</u>	<u>96,493</u>	<u>23,493</u>
<b>Other Financing Sources:</b>				
Advances Out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	
Net Change in Fund Balance	<u>(74,485)</u>	<u>(27,000)</u>	<u>(3,507)</u>	<u>23,493</u>
Fund Balance Beginning of Year	360,418	360,418	360,418	
Prior Year Encumbrances Appropriated				
Fund Balance End of Year	<u>\$ 285,933</u>	<u>\$ 333,418</u>	<u>\$ 356,911</u>	<u>\$ 23,493</u>

*See accompanying notes to the basic financial statements*

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**NOTE 1 – REPORTING ENTITY**

Sandusky County Park District, Sandusky County, Ohio (the District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is directed by a three-member Board of Commissioners appointed by the probate judge of Sandusky County. The District is comprised of the primary government, component units and other organizations that were included to ensure the financial statements are not misleading.

**A. Reporting Entity**

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus as Amendment of GASB Statement No. 14 and 34”. The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. The District acquired lands for conversion into forest reserves and for the conservation of the 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 same as the Board deems conducive to the general welfare.

The Sandusky County Auditor acts as fiscal agent for the District and the Sandusky County Treasurer acts as custodian of all funds.

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

**B. Component Units**

Component units are legally separated organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization; or the District is obligated for the debt of the organization. The District is also financially accountable for any organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the District, and are accessible to the District and significant in amount to the District. The District has no component units.

**C. Jointly Governed Organizations**

North Coast Regional Council of Park Districts

The North Coast Regional Council of Park Districts (NCRCPD) is a jointly governed organization among five Ohio metropolitan park districts including Erie MetroParks, Lorain County Metropolitan Park District, Medina County Park District, Sandusky County Park District, and Wood County Park District. The goal of NCRCPD is the restoration and enhancement of wetlands and streams as compensatory mitigation under Sections 401 and 404 of the Clean Water Act, 33 U.S.C. §1251-1387, and the incorporation of the restored wetlands and streams into the county park system of its member districts. The degree of

**SANDUSKY COUNTY PARK DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(Continued)**

control exercised by any participating park district is limited to its representation on the Board. In 2014, the NCRCPD funded \$643,000 to the District for the construction of the new nature center at Creek Bend Farm.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the modified cash basis of accounting.

**A. Basis of Presentation**

The District's basic financial statements consist of a statement of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements show those activities of the District that are governmental. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net position presents the cash balance of the governmental activities of the District at year end. The statement of activities compares disbursements with program receipts for each of the District's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the District is responsible. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a modified cash basis or draws from the District's general receipts.

**Fund Financial Statements**

During the year, the District segregates transactions related to certain District functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Major funds are presented in separate columns. Non-major funds are aggregated and presented in a single column.

**B. Fund Accounting**

The District uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use.

**SANDUSKY COUNTY PARK DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(Continued)**

**Governmental Funds**

The District classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The following are the District's major governmental funds;

General Fund – The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Creek Bend Farm Fund – The Creek Bend Farm Fund is used to account for the receipts and disbursements related to the construction of a new nature center and other renovations at Creek Bend Farm.

**C. Basis of Accounting**

The District's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivables and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

**D. Budgetary Process**

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the District may appropriate.

The appropriations resolution is the District's authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the District. The legal level of control has been established at the object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the District. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificated of estimated resources in effect at the time final appropriations were passed by the District.

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for the fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the District during the year.

**SANDUSKY COUNTY PARK DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(Continued)**

**E. Cash**

In accordance with Ohio Revised Code, the District's cash is held and invested by the Sandusky County Treasurer, who acts as custodian for District monies. The District's assets are held in the County Treasurer's cash and investment pool, and are valued at the Treasurer's reported carrying amount.

Individual fund integrity is maintained through District records. Interest in the pool is presented as "Cash and Cash Equivalents".

Following Ohio statutes, interest is credited to the General Fund. Interest receipts credited to the general fund during fiscal year 2016 was \$21,784.

**F. Restricted Assets**

Cash, cash equivalents and investments are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. The District had no restricted assets.

**G. Inventory and Prepaid Items**

The District reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

**H. Interfund Receivables/Payables**

The District reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

**I. Capital Assets**

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

**J. Accumulated Leave**

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the District's cash basis of accounting.

**K. Employer Contributions to Cost-Sharing Pension Plans**

The District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Note 7 and 8, the employer contribution include portions for pension benefits and for postretirement health care benefits.

**L. Net Position**

Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for grants for specific purposes.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(Continued)**

The District's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net position is available.

**M. 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.

**SANDUSKY COUNTY PARK DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(Continued)**

**N. Interfund Transactions**

Transfers between governmental on the government-wide financial statements are reported in the same manner as general receipts. Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

**NOTE 3 – BUDGETARY BASIS OF ACCOUNTING**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General Fund and Creek Bend Farm Fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference(s) between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to \$54,804 for the General Fund. There were no encumbrances outstanding for the Creek Bend Farm Fund.

**NOTE 4 – DEPOSITS**

The Sandusky County Treasurer maintains a cash pool used by all funds, including those of the District. The Ohio Revised Code prescribes allowable deposits and investments. The District’s carrying amount of cash on deposit with the County at December 31, 2016, was \$3,283,699. The Sandusky County Treasurer, as fiscal agent for the District, is responsible for maintaining adequate depository collateral for all funds in the County’s pooled and deposited accounts.

**NOTE 5 – PROPERTY TAXES**

Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the County. Real property taxes and public utility taxes are levied after October 1 on the assessed value listed as of the prior January 1, the lien date. Assessed values are established by state law at 35% of appraised market value. Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at 25% of true value for taxable property. The assessed value upon which 2016 taxes were collected was \$1,267,384,730. The full rate for all County operations applied to real property for fiscal year ended December 31, 2016, was \$1.00 per \$1,000 of assessed valuation.

The assessed values of real and tangible personal property upon which 2015 property tax receipts were based are as follows:

<u>Real Property</u>		
Agricultural/Residential	\$	980,925,430
Commercial/Industrial/Mineral		205,244,930
 <u>Public Utility</u>		
Real		809,320
Personal		80,405,050
	<u>\$</u>	<u>1,267,384,730</u>

**SANDUSKY COUNTY PARK DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(Continued)**

Real Property taxes are payable annually or semi-annually. If paid annually, payment is due February 15 if paid semi-annually, the first payment is due February 15 and the remainder is payable July 15. Under certain circumstances, State statute permits earlier or later payment dates to be established.

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. Collections of the taxes and remittance of them to the taxing districts are accounted for in various agency funds of the County.

**NOTE 6 –RISK POOL MANAGEMENT**

**A. County Risk Sharing Authority, Inc.**

The County Risk Sharing Authority, Inc. (CORSA) is a jointly governed organization among sixty counties in Ohio. CORSA was formed as an Ohio not-for-profit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA.

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of CORSA are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the Board of Trustees. No county may have more than one representative on the Board of Trustees at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the Board of Trustees.

**B. County Commissioners Association of Ohio Service Corporation**

The District participates in a group rating plan for workers' compensation as established under Section 4123.39 of the Ohio Revised Code. The County Commissioners Association of Ohio Service Corporation (CCAOSC) was established through the County Commissioners Association of Ohio (CCAO) as an insurance purchasing pool.

A group executive committee is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing and approving proposed third party fees, fees for risk management services and general management fees, determining ongoing eligibility of each participant, and performing any other acts and functions which may be delegated to it by the participants. The group executive committee consists of nine members. Two members are the president and treasurer of CCAOSC: the remaining seven members are representatives of the participants. These seven members are elected for the ensuing year by the participants at a meeting held in December of each year. No participant can have more than one member on the group executive committee in any year, and each elected member shall be a county commissioner.

**NOTE 7 – DEFINED BENEFIT PENSION PLANS**

Plan Description - District employees, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. District employees) may elect the member-directed plan and the combined plan.



**SANDUSKY COUNTY PARK DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(Continued)**

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Public Safety</b>	<b>Public Safety</b>	<b>Public Safety</b>
<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Law Enforcement</b>	<b>Law Enforcement</b>	<b>Law Enforcement</b>
<b>Age and Service Requirements:</b> Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>
<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

**SANDUSKY COUNTY PARK DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(Continued)**

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local	Public Safety
<b>2016 Statutory Maximum Contribution Rates</b>		
Employer	14.0 %	18.1 %
Employee	10.0 %	13.1 %
<b>2016 Actual Contribution Rates</b>		
Employer:		
Pension	12.0 %	16.1 %
Post-employment Health Care Benefits	2.0	2.0
Total Employer	14.0 %	18.1 %
Employee	10.0 %	12.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The District's contractually required contribution was \$84,116 for year 2016.

**NOTE 8 – POSTEMPLOYMENT BENEFITS**

**Ohio Public Employees Retirement System**

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintained two cost-sharing, multiple-employer defined benefit postemployment health care trusts, which funded multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR referenced below for additional information.

**SANDUSKY COUNTY PARK DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(Continued)**

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

At the beginning of 2016, OPERS maintained three health care trusts. The two cost-sharing, multiple employer trusts, the 401(h) Health Care Trust (401(h) Trust) and the 115 Health Care Trust (115 Trust), worked together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. Each year, the OPERS Board of Trustees determines the portion of the employer contributions rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0 percent for both the Traditional Pension and Combined plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) Trust that provides funding for a Retiree Medical Account (RMA) for Member-Directed Plan members. The employer contribution as a percentage of covered payroll deposited to the RMAs for 2016 was 4.0 percent.

In March 2016, OPERS received two favorable rulings from the IRS allowing OPERS to consolidate all health care assets into the 115 Trust. Transition to the new health care trust structure occurred during 2016. OPERS Combining Statements of Changes in Fiduciary Net Position for the year ended December 31, 2016, will reflect a partial year of activity in the 401(h) Trust and VEBA Trust prior to the termination of these trusts as of end of business day June 30, 2016, and the assets and liabilities, or net position, of these trusts being consolidated into the 115 Trust on July 1, 2016.

Substantially all of the District's contribution allocated to fund postemployment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contribution for the years ended December 31, 2016, 2015, and 2014 was \$1,682, \$1,657, and \$1,676, respectively. The full amount has been contributed for all three years.

**NOTE 9 – OTHER COMMITMENTS**

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are reservations of fund balance for subsequent-year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District's commitments for encumbrances in the governmental funds included \$54,804 within the General Fund.

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(Continued)**

**NOTE 10 – CONTINGENT LIABILITIES**

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

**NOTE 11 – INTERFUND ADVANCES**

During 2016, the following advance was made:

Due to the General Fund from:	
Creek Bend Farm Fund	<u>\$ 100,000</u>

Amounts advanced to the Creek Bend Farm Fund include loans made to provide working capital for operations or projects. During 2014, the Board advanced \$366,000 from the General Fund to the Creek Bend Farm Fund. The Board approved a payment schedule for \$100,000 to be paid back each 2016, 2017 and 2018 and the final amount of \$66,000 paid back in 2019.

**SANDUSKY COUNTY PARK DISTRICT  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

The discussion and analysis of Sandusky County Park District's (the District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2015, within the limitations of the District's cash basis of accounting. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for 2015 are as follows:

**Expenses**

Mosser Construction	Wilson Nature Center Construction	\$ 61,111.65
The Collaborative Inc.	Design of Wilson Nature Center	\$ 10,005.86
Lebanon Ford	2014 Ford Explorers	\$ 25,242.00

**Income**

Bellevue Hospital	Nature Center Donation	\$ 10,000.00
Luckey Farmers, Inc.	Nature Center Donation	\$ 10,000.00
Sandusky County	Solid Waste Grant	\$ 10,000.00

**Using the Basic Financial Statements**

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the District's cash basis of accounting.

**Report Components**

The Statement of Net Position – Cash Basis and Statement of Activities – Cash Basis provide information about the cash activities of the District as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the District as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

**Basis of Accounting**

The basis of accounting is a set of guidelines that determine when financial events are recorded. The District has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). Under the District's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of the use of this cash basis of accounting, certain assets and deferred outflows of resources, liabilities and deferred inflows of resources, and the effects of these items on revenues and expenses are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

**Reporting the District as a Whole**

The Statement of Net Position-Cash Basis and the Statement of Activities – Cash Basis reflect how the District

**SANDUSKY COUNTY PARK DISTRICT  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
UNAUDITED  
(Continued)**

performed financially during 2015, within the limitations of the cash basis of accounting. The Statement of Net Position - Cash Basis presents the cash balances of the governmental activities of the District at year end. The Statement of Activities - Cash Basis compares disbursements with program receipts for each governmental activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of disbursements with program receipts identifies how each governmental function draws from the District's general receipts.

These statements report the District's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, one can think of these changes as one way to measure the District's financial health. Over time, increases or decreases in the District's cash position is one indicator of whether the District's financial health is improving or deteriorating. When evaluating the District's financial condition, one should also consider other non-financial factors as well such as the District's property tax base, the condition of the District's capital assets, the reliance on non-local financial resources for operations and the need for continued growth.

The Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis present governmental activities, which include all the District's services. The District has no business-type activities

**Reporting the District's Most Significant Funds**

**Fund Financial Statements**

Fund financial statements provide detailed information about the District's major funds - not the District as a whole. The District establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. All of the operating funds of the District are governmental.

Governmental Funds - The District's activities are reported in governmental funds. The governmental fund financial statements provide a detailed short-term view of the District's governmental operations and the services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the District's programs. The District's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The District's major governmental funds are the General Fund and Creek Bend Farm Fund. The programs reported in the governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

**The District as a Whole**

The table below provides a summary of the District's net position for 2015 compared to 2014 on a cash basis.

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	<u>\$ 3,125,885</u>	<u>\$ 2,941,985</u>
<b>Net Position</b>		
Restricted for Other Purposes	\$ 438,056	\$ 456,761
Unrestricted	2,687,829	2,485,224
Total Net Position	<u>\$ 3,125,885</u>	<u>\$ 2,941,985</u>

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
UNAUDITED  
(Continued)**

Over time, net position can serve as a useful indicator of a government's financial position. The District's finances remained strong during 2015 and 2014 despite the decline in the economy.

	Governmental Activities	
	2015	2014
Receipts:		
Program Receipts:		
Charges for Services	\$ 132,466	\$ 153,969
Operating Grants and Contributions	80,262	1,195,925
Total Program Receipts	212,728	1,349,894
General Receipts:		
Property Taxes Levied for General Purposes	1,040,306	1,036,086
Grants and Entitlements not Restricted to Specific Programs	158,118	167,581
Interest	14,705	15,774
Miscellaneous	28,198	6,865
Rent	98,143	
Total General Receipts	1,339,470	1,226,306
Total Receipts	1,552,198	2,576,200
Disbursements:		
Conservation and Recreation	1,368,298	3,143,975
Change in Net Position	183,900	(567,775)
Net Position, January 1	2,941,985	3,509,760
Net Position, December 31	\$ 3,125,885	\$ 2,941,985

**Governmental Activities**

The District's net position increased \$183,900 from 2014. Total governmental disbursements of \$1,368,298 were offset by program receipts of \$212,728 and general receipts of \$1,339,470. Program receipts supported approximately 16 percent of the total governmental expenses. Operating grants and contributions decreased by \$1,115,663 in 2015 mainly due to a large receipt from the North Coast Regional Council of Park Districts and several large donations which were used for constructing the new nature center in 2014. This resulted in a corresponding decrease in disbursements in 2015. Charges for services receipts decreased \$21,503 or 14 percent.

The primary source of revenue for governmental activities is derived from property tax receipts. This revenue source represents 67 percent of total governmental revenue.

Conservation and Recreation Services disbursements totaled \$1,368,298 or all of governmental disbursements for 2015.

The Statement of Activities – Cash Basis shows the cost of program services and operating grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2015 and 2014. That is, it identifies the cost of these services supported by contributions and unrestricted State grants and entitlements.

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
UNAUDITED  
(Continued)**

	<b>Governmental Activities</b>			
	Total Cost of Services 2015	Net Cost of Services 2015	Total Cost of Services 2014	Net Cost of Services 2014
Program expenses:				
Conservation and Recreation	\$ 1,368,298	\$ 1,155,570	\$ 3,143,975	\$ 1,794,081

**The District's Funds**

The District's governmental funds reported a combined fund balance of \$3,125,885, which is \$183,900 more than last years' total of \$2,941,985. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2015 and 2014.

	Fund Balance, December 31			
	2015	2014	Increase / (Decrease)	Percentage Change
General	\$ 2,310,534	\$ 2,127,554	\$ 182,980	8.6%
Creek Bend Farm Fund	360,418	331,792	28,626	8.6%
Other Governmental	454,933	482,639	(27,706)	(-5.7)%
Total Fund Balance	\$ 3,125,885	\$ 2,941,985	\$ 183,900	11.5%

**General Fund Budgeting Highlights**

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During the course of 2015, the District amended its budget once. The General Fund's final budgeted receipts were \$2,420,943. Actual receipt collections were \$1,461,880, \$959,063 less than final budget estimates. Actual budgetary-basis disbursements of \$1,316,904 were \$1,555,821 less than final estimates of \$2,872,725.

**Capital Assets**

The District does not include capital assets on its financial statements under the cash basis of accounting. The District records payments for capital assets as disbursements.

**Debt**

The District had no outstanding debt at December 31, 2015.

**Current Issues**

The District continues to be challenged in its effort to provide quality services to the public with limited, and in some areas shrinking funding. Programs and facility operations are reviewed and analyzed regularly to ensure the efficient use of resources. The District remains diligent in efforts to identify alternative funding sources and secure grants for operations and capital projects. Charges for services and contract rates are analyzed to ensure that costs to administer and carry out programs are covered.



**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
UNAUDITED  
(Continued)**

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to reflect the District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Andrew Brown, Director, Sandusky County Park District, 1970 Countryside Place, Fremont, Ohio 43420-8750.

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**STATEMENT OF NET POSITION - CASH BASIS  
DECEMBER 31, 2015**

	<u><b>Governmental Activities</b></u>
<b>Assets:</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 3,125,885
<b>Net Position:</b>	
Restricted for:	
Other Purposes	\$ 438,056
Unrestricted	2,687,829
Total Net Position	<u>\$ 3,125,885</u>

*See accompanying notes to the basic financial statements*



**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2015**

	<b>General</b>	<b>Creek Bend Farm</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$ 2,310,534</u>	<u>\$ 360,418</u>	<u>\$ 454,933</u>	<u>\$ 3,125,885</u>
<b>Fund Balances:</b>				
Restricted:				
Wolf Creek Project			\$ 175,211	\$ 175,211
Park Trail			256,727	256,727
Nature Works			5,718	5,718
Ranger Training Fund			400	400
Committed:				
Creek Bend Farm		\$ 360,418		360,418
Sick Leave			16,877	16,877
Assigned:				
Encumbrances	\$ 38,004			38,004
Subsequent Year Appropriations	574,380			574,380
Unassigned	<u>1,698,150</u>			<u>1,698,150</u>
Total Fund Balances	<u>\$ 2,310,534</u>	<u>\$ 360,418</u>	<u>\$ 454,933</u>	<u>\$ 3,125,885</u>

*See accompanying notes to the basic financial statements*

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>General</u>	<u>Creek Bend Farm</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Receipts:</b>				
Property Taxes	\$ 1,040,306			\$ 1,040,306
Charges for Services	132,466			132,466
Intergovernmental	173,571	\$ 10,000	\$ 400	183,971
Investment Income	14,705			14,705
Other	28,204	54,403		82,607
Rent	72,628	25,515		98,143
Total Receipts	<u>1,461,880</u>	<u>89,918</u>	<u>400</u>	<u>1,552,198</u>
<b>Disbursements:</b>				
Conservation and Recreation	<u>1,278,900</u>	<u>61,292</u>	<u>28,106</u>	<u>1,368,298</u>
Net Change in Fund Balances	182,980	28,626	(27,706)	183,900
Fund Balances Beginning of Year	<u>2,127,554</u>	<u>331,792</u>	<u>482,639</u>	<u>2,941,985</u>
Fund Balances End of Year	<u>\$ 2,310,534</u>	<u>\$ 360,418</u>	<u>\$ 454,933</u>	<u>\$ 3,125,885</u>

*See accompanying notes to the basic financial statements*

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts:</b>				
Property Taxes	\$ 991,685	\$ 991,685	\$ 1,040,306	\$ 48,621
Charges for Services	95,148	95,148	132,466	37,318
Intergovernmental	1,215,610	1,215,610	173,571	(1,042,039)
Investment Income	16,000	16,000	14,705	(1,295)
Other	77,500	77,500	28,204	(49,296)
Rent	25,000	25,000	72,628	47,628
Total Receipts	<u>2,420,943</u>	<u>2,420,943</u>	<u>1,461,880</u>	<u>(959,063)</u>
<b>Disbursements:</b>				
Conservation and Recreation	<u>2,834,316</u>	<u>2,872,725</u>	<u>1,316,904</u>	<u>1,555,821</u>
Net Change in Fund Balance	(413,373)	(451,782)	144,976	596,758
Fund Balance Beginning of Year	2,100,453	2,100,453	2,100,453	
Prior Year Encumbrances Appropriated	<u>27,100</u>	<u>27,100</u>	<u>27,100</u>	
Fund Balance End of Year	<u>\$ 1,714,180</u>	<u>\$ 1,675,771</u>	<u>\$ 2,272,529</u>	<u>\$ 596,758</u>

*See accompanying notes to the basic financial statements*

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
CREEK BEND FARM FUND  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts:</b>				
Rent	\$ 29,000	\$ 29,000	\$ 25,515	\$ (3,485)
Intergovernmental			10,000	10,000
Other	17,500	17,500	54,403	36,903
Total Receipts	<u>46,500</u>	<u>46,500</u>	<u>89,918</u>	<u>43,418</u>
<b>Disbursements:</b>				
Conservation and Recreation	50,000	200,000	61,292	138,708
Net Change in Fund Balance	(3,500)	(153,500)	28,626	182,126
Fund Balance Beginning of Year	331,792	331,792	331,792	
Prior Year Encumbrances Appropriated				
Fund Balance End of Year	<u>\$ 328,292</u>	<u>\$ 178,292</u>	<u>\$ 360,418</u>	<u>\$ 182,126</u>

*See accompanying notes to the basic financial statements*

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**NOTE 1 – REPORTING ENTITY**

Sandusky County Park District, Sandusky County, Ohio (the District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is directed by a three-member Board of Commissioners appointed by the probate judge of Sandusky County. The District is comprised of the primary government, component units and other organizations that were included to ensure the financial statements are not misleading.

**A. Reporting Entity**

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus as Amendment of GASB Statement No. 14 and 34”. The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. The District acquired lands for conversion into forest reserves and for the conservation of the 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 same as the Board deems conducive to the general welfare.

The Sandusky County Auditor acts as fiscal agent for the District and the Sandusky County Treasurer acts as custodian of all funds.

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

**B. Component Units**

Component units are legally separated organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization; or the District is obligated for the debt of the organization. The District is also financially accountable for any organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the District, and are accessible to the District and significant in amount to the District. The District has no component units.

**C. Jointly Governed Organizations**

North Coast Regional Council of Park Districts

The North Coast Regional Council of Park Districts (NCRCPD) is a jointly governed organization among five Ohio metropolitan park districts including Erie MetroParks, Lorain County Metropolitan Park District, Medina County Park District, Sandusky County Park District, and Wood County Park District. The goal of NCRCPD is the restoration and enhancement of wetlands and streams as compensatory mitigation under Sections 401 and 404 of the Clean Water Act, 33 U.S.C. §1251-1387, and the incorporation of the restored wetlands and streams into the county park system of its member districts. The degree of



**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(Continued)**

control exercised by any participating park district is limited to its representation on the Board. In 2014, the NCRCPD funded \$643,000 to the District for the construction of the new nature center at Creek Bend Farm.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the modified cash basis of accounting.

**A. Basis of Presentation**

The District's basic financial statements consist of a statement of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements show those activities of the District that are governmental. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net position presents the cash balance of the governmental activities of the District at year end. The statement of activities compares disbursements with program receipts for each of the District's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the District is responsible. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a modified cash basis or draws from the District's general receipts.

**Fund Financial Statements**

During the year, the District segregates transactions related to certain District functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Major funds are presented in separate columns. Non-major funds are aggregated and presented in a single column.

**B. Fund Accounting**

The District uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use.

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(Continued)**

**Governmental Funds**

The District classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The following are the District's major governmental funds;

General Fund – The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Creek Bend Farm Fund – The Creek Bend Farm Fund is used to account for the receipts and disbursements related to the construction of a new nature center and other renovations at Creek Bend Farm.

**C. Basis of Accounting**

The District's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivables and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

**D. Budgetary Process**

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the District may appropriate.

The appropriations resolution is the District's authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the District. The legal level of control has been established at the object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the District. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificated of estimated resources in effect at the time final appropriations were passed by the District.

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for the fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the District during the year.

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(Continued)**

**E. Cash**

In accordance with Ohio Revised Code, the District's cash is held and invested by the Sandusky County Treasurer, who acts as custodian for District monies. The District's assets are held in the County Treasurer's cash and investment pool, and are valued at the Treasurer's reported carrying amount.

Individual fund integrity is maintained through District records. Interest in the pool is presented as "Cash and Cash Equivalents".

Following Ohio statutes, interest is credited to the General Fund. Interest receipts credited to the General Fund during fiscal year 2015 was \$14,705.

**F. Restricted Assets**

Cash, cash equivalents and investments are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. The District had no restricted assets.

**G. Inventory and Prepaid Items**

The District reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

**H. Interfund Receivables/Payables**

The District reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

**I. Capital Assets**

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

**J. Accumulated Leave**

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the District's cash basis of accounting.

**K. Employer Contributions to Cost-Sharing Pension Plans**

The District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Note 7 and 8, the employer contribution include portions for pension benefits and for postretirement health care benefits.

**L. Net Position**

Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for grants for specific purposes.

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(Continued)**

The District's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net position is available.

**M. 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.

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(Continued)**

**N. Interfund Transactions**

Transfers between governmental on the government-wide financial statements are reported in the same manner as general receipts. Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

**NOTE 3 – BUDGETARY BASIS OF ACCOUNTING**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General Fund and Creek Bend Farm Fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference(s) between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to \$38,005 for the General Fund. There were no encumbrances outstanding for the Creek Bend Farm Fund.

**NOTE 4 – DEPOSITS**

The Sandusky County Treasurer maintains a cash pool used by all funds, including those of the District. The Ohio Revised Code prescribes allowable deposits and investments. The District's carrying amount of cash on deposit with the County at December 31, 2015, was \$3,125,885. The Sandusky County Treasurer, as fiscal agent for the District, is responsible for maintaining adequate depository collateral for all funds in the County's pooled and deposited accounts.

**NOTE 5 – PROPERTY TAXES**

Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the County. Real property taxes and public utility taxes are levied after October 1 on the assessed value listed as of the prior January 1, the lien date. Assessed values are established by state law at 35% of appraised market value. Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at 25% of true value for taxable property. The assessed value upon which 2015 taxes were collected was \$1,168,017,350. The full rate for all County operations applied to real property for fiscal year ended December 31, 2015, was \$1.00 per \$1,000 of assessed valuation.

The assessed values of real and tangible personal property upon which 2015 property tax receipts were based are as follows:

<u>Real Property</u>	
Agricultural/Residential	\$ 884,267,490
Commercial/Industrial/Mineral	204,309,720
<u>Public Utility</u>	
Real	767,100
Personal	78,673,040
	<u>\$ 1,168,017,350</u>

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(Continued)**

Real Property taxes are payable annually or semi-annually. If paid annually, payment is due February 15 if paid semi-annually, the first payment is due February 15 and the remainder is payable July 15. Under certain circumstances, State statute permits earlier or later payment dates to be established.

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. Collections of the taxes and remittance of them to the taxing districts are accounted for in various agency funds of the County.

**NOTE 6 –RISK MANAGEMENT**

**A. County Risk Sharing Authority, Inc.**

The County Risk Sharing Authority, Inc. (CORSA) is a jointly governed organization among sixty counties in Ohio. CORSA was formed as an Ohio not-for-profit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA.

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of CORSA are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the Board of Trustees. No county may have more than one representative on the Board of Trustees at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the Board of Trustees.

**B. County Commissioners Association of Ohio Service Corporation**

The District participates in a group rating plan for workers' compensation as established under Section 4123.39 of the Ohio Revised Code. The County Commissioners Association of Ohio Service Corporation (CCAOSC) was established through the County Commissioners Association of Ohio (CCAO) as an insurance purchasing pool.

A group executive committee is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing and approving proposed third party fees, fees for risk management services and general management fees, determining ongoing eligibility of each participant, and performing any other acts and functions which may be delegated to it by the participants. The group executive committee consists of nine members. Two members are the president and treasurer of CCAOSC: the remaining seven members are representatives of the participants. These seven members are elected for the ensuing year by the participants at a meeting held in December of each year. No participant can have more than one member on the group executive committee in any year, and each elected member shall be a county commissioner.

**NOTE 7 – DEFINED BENEFIT PENSION PLANS**

The District participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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defined contribution plan. Under the combined plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>
Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b>	<b>Formula:</b>	<b>Formula:</b>
2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Public Safety</b>	<b>Public Safety</b>	<b>Public Safety</b>
<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>
Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Law Enforcement</b>	<b>Law Enforcement</b>	<b>Law Enforcement</b>
<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>
Age 52 with 15 years of service credit	Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>
<b>Formula:</b>	<b>Formula:</b>	<b>Formula:</b>
2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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FOR THE YEAR ENDED DECEMBER 31, 2015  
(Continued)**

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local		Public Safety		Law Enforcement	
<b>2015 Statutory Maximum Contribution Rates</b>						
Employer	14.0	%	18.1	%	18.1	
Employee	10.0	%	12.1	%	12.1	
<b>2015 Actual Contribution Rates</b>						
Employer:						
Pension	12.0	%	16.1	%	16.1	
Post-employment Health Care Benefits	2.0		2.0		2.0	
Total Employer	14.0	%	18.1	%	18.1	
Employee	10.0	%	12.0	%	12.0	

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The District's contractually required contribution was \$82,848 for year 2015.

**NOTE 8 – POSTEMPLOYMENT BENEFITS**

**Ohio Public Employees Retirement System**

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintained two cost-sharing, multiple-employer defined benefit postemployment health care trusts, which funded multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.



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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015  
(Continued)**

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

**NOTE 9 – OTHER COMMITMENTS**

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are reservations of fund balance for subsequent-year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District's commitments for encumbrances in the governmental funds included \$38,004 within the General Fund.

**NOTE 10 – CONTINGENT LIABILITIES**

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

**NOTE 11 – INTERFUND ADVANCES**

During 2014, amounts advanced to the Creek Bend Farm Fund in the amount of \$366,000 include loans made to provide working capital for operations or projects. The Board approved a payment schedule for \$100,000 to be paid back each year 2016, 2017 and 2018 and the final amount of \$66,000 paid back in 2019.

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# Dave Yost • Auditor of State

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

Sandusky County Park District  
Sandusky County  
1970 Countryside Place  
Fremont, Ohio 43420-8750

To the Board of 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 cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Sandusky County Park District, Sandusky County, Ohio (the District) as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 11, 2017 wherein we noted the District uses a special purpose framework other than generally accepted accounting principles.

### ***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 opinions 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.

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 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. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2016-001 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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Entity's Response to Findings***

The District's response to the findings identified in our audit is described in the accompanying schedule of findings. We did not audit the 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 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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

**Dave Yost**  
Auditor of State

Columbus, Ohio

October 11, 2017

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2016 AND 2015**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

**FINDING NUMBER 2016-001**

**Material Weakness**

**Financial Reporting**

The District's management is responsible for the fair presentation of the financial statements. In addition, GASB Statement No. 54 requires fund balance be divided into one of five classifications based on the extent to which constraints are imposed upon the resources. Errors were noted in the financial statements, resulting in adjustments such as the following:

- Creek Bend Farm Fund Donations of \$76,151 were improperly accounted for as Intergovernmental revenues in 2016.
- Creek Bend Farm Fund Rent revenues of \$22,725 were improperly accounted for as Intergovernmental revenues in 2016.
- Creek Bend Farm Fund Rent revenues of \$25,515 were improperly accounted for as Charges for Services in 2015.
- General Fund Rent revenues of \$72,628 were improperly accounted for as Charges for Services in 2015.
- On the Statement of Activities, general receipts of \$98,143 were improperly accounted for as program receipts charges for services and sales in 2015.
- Subsequent year appropriations over estimated receipts within the General Fund of \$1,524,000 and \$574,380 were improperly accounted for as unassigned rather than assigned in 2016 and 2015, respectively.

In addition, the District's original budgeted receipts did not agree to the first amended certificate of estimated resources for the General Fund, understated by \$965,358 in 2016. Original budgeted disbursements did not agree to the original appropriation resolution in the General Fund, overstated by \$712,297 in 2016. Final budgeted disbursements did not agree to final amended appropriation resolutions for the General Fund, overstated by \$705,510 in 2016.

These errors were the result of inadequate policies and procedures in reviewing the financial statements and monitoring budgetary information. Failure to complete accurate financial statements could lead to the Board making misinformed decisions. Additional audit adjustments were made in smaller relative amounts for additional reasons. The accompanying financial statements, notes to the financial statements, and accounting records have been adjusted to correct these errors.

To help ensure the District's financial statements and notes to the statements are complete and accurate, the District should adopt procedures, including a final review of the statements and notes by the Board, to identify and correct errors and omissions. The Board should also review Audit Bulletin 2011-004 for information on GASB Statement No. 54, to help ensure that all accounts are being properly posted to the financial statements.

**Officials' Response:**

The Park District recognizes that many of the items noted in the 2013-2014 audit were repeated in the 2015-2016 audit. The Sandusky County Auditor's Office has pledged to work with the Park District to help eliminate these issues in the future. The Park District will be trained by the Sandusky County Auditor's Office on how to complete reports properly as well as adopting proper policies and procedures in order to minimize errors.

**SANDUSKY COUNTY PARK DISTRICT  
SANDUSKY COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2016 AND 2015**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2014-001	Material Weakness due to errors over financial reporting.	Not Corrected. Repeated in this report as finding 2016-001.	The Park District recognizes that many of the items noted in the 2013-2014 audit were repeated in the 2015-2016 audit. The Sandusky County Auditor's Office has pledged to work with the Park District to help eliminate these issues in the future. The Park District will be trained by the Sandusky County Auditor's Office on how to complete reports properly as well as adopting proper policies and procedures in order to minimize errors.

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# Dave Yost • Auditor of State

**SANDUSKY COUNTY PARK DISTRICT**

**SANDUSKY 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  
OCTOBER 24, 2017**