



Dave Yost • Auditor of State



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Spencer Township Park District
Allen County
P.O. Box 103
Spencerville, Ohio 45887

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Spencer Township Park District, Allen County, (the Park District) for the years ended December 31, 2016 and 2015.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the Park District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Park District's financial statements, transactions or balances for the years ended December 31, 2016 and 2015.

The Park District's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Current Year Observations

Ohio Rev. Code § 117.38 states, in part, that each public office, other than a state agency, shall file a financial report for each fiscal year. The auditor of state may prescribe forms by rule or may issue guidelines, or both, for such reports. This section provides that the report shall be filed with the auditor of state within sixty days after the close of the fiscal year.

Auditor of State Bulletin 2015-007 provides, in part, that Regulatory Cash Basis Entities should file basic financial statements, including statement(s) (or combined statement(s)) of receipts, disbursements and changes in Fund Balance – Governmental, Proprietary, and Fiduciary, as applicable and notes to the basic financial statements.

The Park District did not file the required notes to the 2016 basic financial statements with the Auditor of State's office until June 30, 2017. The Village should implement procedures to ensure that the annual financial report is filed on the Hinkle System in a timely manner and that all filings include the required notes to the basic financial statements.

Current Status of Matters we Reported in our Prior Engagement

1. The Park District did not integrate budgetary amounts into the accounting system. The failure to integrate budgetary amounts into the accounting system inhibits the ability to monitor budget versus actual spending. The budgeted receipts and appropriations should be integrated into the accounting system. This issue was not corrected for current audit.
2. **Ohio Rev. Code Section 5705.41(B)** provides that expenditures cannot be made unless appropriated. In 2014, the Park District had appropriations of \$5,595 and actual disbursements of \$12,497. Disbursements in excess of appropriations increase the risk of deficit spending.

To help prevent actual disbursements in excess of appropriations, budget versus actual activity should be monitored throughout the year. This issue was corrected.

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

Dave Yost
Auditor of State

August 15, 2017



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SPENCER TOWNSHIP PARK DISTRICT

ALLEN 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
AUGUST 29, 2017**