



**THE PARK DISTRICT LIBERTY TOWNSHIP
HARDIN COUNTY
AGREED UPON PROCEDURES
FOR THE YEARS ENDED DECEMBER 31, 2019 - 2018**

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OHIO AUDITOR OF STATE
KEITH FABER



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Board of Trustees
Park District Liberty Township
327 East Lima Avenue P.O. Box 228
Ada, Ohio 45810

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Park District Liberty Township, Hardin County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the period January 1, 2018 through December 31, 2019. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

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

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

January 28, 2021

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THE PARK DISTRICT LIBERTY TOWNSHIP
HARDIN COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

January 15, 2021

The Park District Liberty Township
Hardin County
327 East Lima Avenue
P.O. Box 228
Ada, Ohio 45810

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees and the management of **The Park District Liberty Township**, Hardin County (the District) and the Auditor of State, on the receipts, disbursements and balances recorded in the District's cash basis accounting records for the years ended December 31, 2019 and 2018 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the District. The District is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2019 and 2018 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

Cash

1. We recalculated the December 31, 2019 and December 31, 2018 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2018 beginning fund balances recorded in the Cash Journal to the December 31, 2017 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2019 beginning fund balances recorded in the Cash Journal to the December 31, 2018 balances in the Cash Journal. We found no exceptions.
3. We agreed the totals per the bank reconciliations to the total of the December 31, 2019 and 2018 fund cash balances reported in the Cash Journal and the financial statements filed by the District in the Hinkle System. The amounts agreed.
4. We confirmed the December 31, 2019 bank account balance with the District's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2019 bank reconciliation without exception.
5. We selected all reconciling debits (such as outstanding checks) from the December 31, 2019 bank reconciliation:
 - a. We traced each debit to the subsequent January bank statement. We found no exceptions.
 - b. We traced the amounts and dates to the check register, to determine the dates were dated prior to December 31. There were no exceptions.

Property Taxes and Intergovernmental Receipts

1. We selected a total of five receipts from the *Statement of Semiannual Apportionment of Taxes*, the State Distribution Transaction Lists (DTL) and the Hardin County Appropriation History Report from 2019 and a total of five from 2018:
 - a. We compared the amounts from the above said reports to the amount recorded in the Cash Journal. The amounts agreed.
 - b. We inspected the Cash Journal to determine these receipts were allocated to the proper fund as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We inspected the Cash Journal to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We inspected the Cash Journal to determine whether it included two real estate tax receipts for 2019 and 2018. The Cash Journal included the proper number of tax receipts for each year.

Debt

1. From the prior audit documentation, we observed the following loans were outstanding as of December 31, 2017. These amounts agreed to the District's January 1, 2018 balances on the summary we used in procedure 3.

Issue	Principal outstanding as of December 31, 2017:
Park Repairs Loan	\$ 13,382
Mower Loan	\$ 25,936
Equipment Loan	\$ 10,872

2. We inquired of management, and inspected the Cash Journal for evidence of debt issued during 2019 or 2018 or debt payment activity during 2019 or 2018. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of loans debt activity for 2019 and 2018 and agreed principal and interest payments from the related debt amortization schedules to general fund payments reported in the Cash Journal. We also compared the date the debt service payments were due to the date the District made the payments. We found principal and interest payments were misclassified in both years. Principal and interest payments were understated by \$3,141 and \$54, respectively, in 2019 and understated by \$37,541 and \$688, respectively, in 2018.
4. We agreed the amount of debt proceeds from the debt documents to amounts recorded in the general fund per the Cash Journal. The District failed to record the pass-through receipt and disbursement of loan proceeds (\$23,757) to their system or financial statements in 2018.
5. For new debt issued during 2019 and 2018, we inspected the debt legislation, which stated the District must use the proceeds to purchase a dump truck. We inspected the Cash Journal and noted the District purchased a dump in April of 2018.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2019 and one payroll check for five employees from 2018 from the Cash Journal and:
 - a. We compared the hours and pay rate, or salary recorded in Cash Journal to supporting documentation timecard and legislatively-approved rate or salary. We found no exceptions.

Payroll Cash Disbursements (Continued)

- b. We recomputed gross and net pay and agreed it to the amount recorded in the payroll register. We found no exceptions.
- c. We inspected the fund and account code to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the employees' personnel files. We also confirmed the payment was posted to the proper year. We found no exceptions.
- d. For any new employees, we inspected the employees' personnel files for the following information and compared it with the information used to compute gross and net pay related to this check:
 - i. Name
 - ii. Authorized salary or pay rate and department and fund to which the check should be charged
 - iii. Retirement system, Federal, State & Local income tax withholding authorization and withholding

We found no exceptions related to procedures i. – iii. above.

- 2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2019 to confirm remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2019. We noted the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2020	January 2, 2020	\$ 2,169.39	\$ 2,169.39
State income taxes	January 15, 2020	December 31, 2019	\$ 194.08	\$ 194.08
Local income tax - Village of Ada	January 31, 2020	January 9, 2020	\$ 369.54	\$ 369.54
Local income tax – Ada School District	January 31, 2020	December 31, 2019	\$ 86.64	\$ 86.64
OPERS Retirement	January 30, 2020	December 31, 2019	\$ 1,386.24	\$ 1,386.24

Non-Payroll Cash Disbursements

- 1. From the Cash Journal, we re-footed checks recorded as General Fund disbursements for contracts for 2019. We found no exceptions.
- 2. We selected 10 disbursements from the Cash Journal for the year ended December 31, 2019 and 10 from the year ended 2018 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Cash Journal and to the names and amounts on the supporting invoices. We found no exceptions.

Non-Payroll Cash Disbursements (Continued)

- c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
- d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.41(D). We found no exceptions.

Compliance – Budgetary

1. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code Section 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2019 and 2018 for the General Fund. There were no funds for which expenditures exceeded appropriations.
2. We inspected the Cash Journal for the years ended December 31, 2019 and 2018 for negative cash fund balances. Ohio Rev. Code Section 5705.10 (I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. No funds had a negative cash fund balance.

Sunshine Law Compliance

1. We obtained and inspected the District's Public Records Policy to determine the policy was in accordance with Ohio Rev. Code §§ 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
2. We inquired with District management and determined that the District did not have any completed public records requests during the engagement period.
3. We inquired with District management and determined that the District did not have any denied public records requests during the engagement period.
4. We inquired with District management and determined that the District did not have any public records requests with redactions during the engagement period.
5. We inquired whether the District had a records retention schedule, and observed that it was readily available to the public as required by Ohio Rev. Code § 149.43(B)(2). We found no exceptions.
6. We inspected written evidence that the Public Records Policy was provided to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
7. We inspected the District's policy manual and determined the public records policy was included as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
8. We observed that the District's poster describing their Public Records Policy was displayed conspicuously in all branches of the District as required by Ohio Rev. Code § 149.43(E)(2). We found no exceptions.
9. We inquired with District management and determined that the District did not have any applications for record disposal submitted to the Records Commission during the engagement period.

Sunshine Law Compliance (Continued)

10. We inquired with District management and determined that the District did not have any elected officials subject to the Public Records Training requirements during the engagement period as required by Ohio Rev. Code §§ 149.43(E)(1) and 109.43(B).
11. We inspected the public notices for the public meetings held during the engagement period and determined the District notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
12. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
 - a. Prepared – a file is created following the date of the meeting
 - b. Filed – placed with similar documents in an organized manner
 - c. Maintained - retained, at a minimum, for the engagement period
 - d. Open to public inspection – available for public viewing or request.We found no exceptions.
13. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
 - a. Executive sessions were only held at regular or special meetings.
 - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code Section 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

Other Compliance

Ohio Rev. Code Section 117.38 requires these districts to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the District filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended December 31, 2019 and 2018 in the Hinkle system. Financial information was filed on May 6, 2019 which was not within the allotted timeframe.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the *American Institute of Certified Public Accountants*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively on the District's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The Park District Liberty Township
Hardin County
Independent Accountants' Report on
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This report is to provide assistance in the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2019 and 2018, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

OHIO AUDITOR OF STATE KEITH FABER



THE PARK DISTRICT LIBERTY TOWNSHIP

HARDIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 2/9/2021

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This report is a matter of public record and is available online at
www.ohioauditor.gov