



**THE OLANDER PARK SYSTEM
LUCAS COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2000-1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**THE OLANDER PARK SYSTEM
LUCAS COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

The Olander Park System
Lucas County
6930 Sylvania Avenue
Sylvania, Ohio 43560-3524

To the Board of Commissioners:

We have audited the accompanying financial statements of The Olander Park System (TOPS) (formerly know as the Sylvania Township Regional Park District) as of and for the years ended December 31, 2000 and 1999. These financial statements are the responsibility of TOPS's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, TOPS prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of TOPS as of December 31, 2000 and 1999, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 2001 on our consideration of TOPS's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

This report is intended solely for the information and use of the management, the Board of Park Commissioners, and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

May 8, 2001

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**THE OLANDER PARK SYSTEM
LUCAS COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCES - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2000**

Cash Receipts:

General Property Tax - Real Estate	\$393,230
Tangible Personal Property Tax	33,373
Investment Income	27,806
Gifts and Donations	1,390
Fees	45,872
Sales	6,725
Community Hall	49,883
Open Air Shelter	6,465
Other Receipts	<u>2,019</u>
 Total Cash Receipts	 <u>566,763</u>

Cash Disbursements:

Current:	
Salaries - Employees	265,770
Supplies	24,945
Materials	7,326
Equipment	43,022
Motor Vehicle	6,272
Contracts - Repair	6,450
Contracts - Services	29,656
Utilities	20,455
Capital Projects - Park Development	6,258
Contract Projects - Programs	8,728
Rentals	674
Advertising and Printing	26,858
Professional Services	11,380
FICA	3,853
Public Employees Retirement	28,643
Workers' Compensation	270
Unemployment Compensation	225
Capital Outlay	154,521
Liability Insurance	12,716
Health Insurance	12,424
Other	<u>5,749</u>
 Total Cash Disbursements	 <u>676,195</u>

Total Disbursements Over Receipts (109,432)

Other Financing Receipts/(Disbursements):

Other Sources	17,960
Other Uses	<u>(18,910)</u>
 Total Other Financing Receipts/(Disbursements)	 <u>(950)</u>

Excess of Cash Disbursements and Other Financing Disbursements
Over Cash Receipts and Other Financing Receipts (110,382)

Cash Balances, January 1 454,698

Cash Balances, December 31 **\$344,316**

The notes to the financial statements are an integral part of this statement.

**THE OLANDER PARK SYSTEM
LUCAS COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCES - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1999**

Cash Receipts:	
General Property Tax - Real Estate	\$383,398
Tangible Personal Property Tax	34,633
Investment Income	22,170
Gifts and Donations	1,084
Fees	47,980
Sales	12,660
Community Hall	55,749
Open Air Shelter	6,034
Other Receipts	<u>5,736</u>
Total Cash Receipts	<u>569,444</u>
Cash Disbursements:	
Current:	
Salaries - Employees	224,673
Supplies	27,903
Materials	12,844
Equipment	25,998
Motor Vehicle	9,552
Contracts - Repair	2,943
Contracts - Services	30,564
Utilities	21,157
Land	28,000
Rentals	929
Advertising and Printing	24,550
Professional Services	10,526
FICA	3,258
Public Employees Retirement	30,053
Workers' Compensation	2,155
Unemployment Compensation	91
Capital Outlay	73,389
Liability Insurance	12,604
Health Insurance	13,926
Other	<u>8,525</u>
Total Cash Disbursements	<u>563,640</u>
Total Receipts Over Disbursements	<u>5,804</u>
Other Financing Receipts/(Disbursements):	
Other Sources	16,825
Other Uses	<u>(19,371)</u>
Total Other Financing Receipts/(Disbursements)	<u>(2,546)</u>
Excess of Cash Receipts and Other Financing Sources Over Cash Disbursements and Other Financing Disbursements	3,258
Cash Balances, January 1	<u>451,440</u>
Cash Balances, December 31	<u><u>\$454,698</u></u>

The notes to the financial statements are an integral part of this statement.

**THE OLANDER PARK SYSTEM
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Olander Park System, Lucas County, (TOPS) 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. TOPS is directed by a three-member Board of Commissioners appointed by the probate judge of Lucas County. TOPS acquires 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.

TOPS's management believes these financial statements present all activities for which TOPS is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

In accordance with Ohio Revised Code, TOPS's cash is held and invested by the Lucas County Treasurer, who acts as custodian for TOPS monies. TOPS's assets are held in the County's cash and investment pool, and are valued at the Treasurer's reported carrying amount. TOPS also maintains a separate demand deposit account.

D. Fund Accounting

TOPS uses fund accounting to segregate cash and investments that are restricted as to use. TOPS classifies its fund into the following type:

General Fund - The General Fund is the general operating fund. It is used to account for all financial resources.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

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

**THE OLANDER PARK SYSTEM
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires TOPS to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 2000 and 1999 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

G. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by TOPS.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Lucas County Auditor acts as fiscal agent of TOPS. The Lucas County Treasurer maintains a cash pool to be utilized by TOPS's funds. TOPS also maintains a demand deposit account. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31 was as follows:

	<u>2000</u>	<u>1999</u>
Demand deposits	\$20,031	\$20,981
Amounts on Deposit with Fiscal Agent	<u>324,285</u>	<u>433,717</u>
Total deposits	<u><u>\$344,316</u></u>	<u><u>\$454,698</u></u>

Demand deposits are insured by the Federal Depository Insurance Corporation.

Amounts on deposit with the fiscal agent are commingled with Lucas County's deposits, and it is not feasible to determine the manner in which TOPS's deposits are insured. The extent of Lucas County's collateralization is disclosed in its audit reports for the years ended December 31, 2000 and 1999.

**THE OLANDER PARK SYSTEM
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2000 and 1999 follows:

2000 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	<u>\$580,800</u>	<u>\$584,723</u>	<u>\$3,923</u>

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	<u>\$743,000</u>	<u>\$695,105</u>	<u>\$47,895</u>

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	<u>\$574,000</u>	<u>\$586,269</u>	<u>\$12,269</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	<u>\$760,000</u>	<u>\$583,011</u>	<u>\$176,989</u>

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board of Park Commissioners. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as General Property Tax - Real Estate receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

**THE OLANDER PARK SYSTEM
LUCAS COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2000 AND 1999
(Continued)**

5. RETIREMENT SYSTEM

TOPS's full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2000 and 1999, members of PERS contributed 8.5% of their gross salaries. TOPS contributed an amount equal to 13.55% and 10.84% of participants' gross salaries for 1999 and 2000, respectively. TOPS has paid all contributions required through December 31, 2000.

6. RISK MANAGEMENT

TOPS has obtained commercial insurance for the following risks:

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

TOPS also provides health insurance and dental and vision coverage to full-time employees through Lucas County's plan.



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON
INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

The Olander Park System
Lucas County
6930 Sylvania Avenue
Sylvania, Ohio 43560-3524

To the Board of Commissioners:

We have audited the accompanying financial statements of The Olander Park System (TOPS) (formerly know as the Sylvania Township Regional Park District) as of and for the years ended December 31, 2000 and 1999, and have issued our report thereon dated May 8, 2001. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether TOPS's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. However, we noted a certain immaterial instance of noncompliance that we have reported to management of TOPS in a separate letter dated May 8, 2001.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered TOPS's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of TOPS in a separate letter dated May 8, 2001.

This report is intended for the information and use of management and the Board of Commissioners, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

May 8, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

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THE OLANDER PARK SYSTEM

LUCAS 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
JUNE 12, 2001**