



Dave Yost • Auditor of State

PICKAWAY COUNTY PARK DISTRICT
PICKAWAY COUNTY

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Dave Yost • Auditor of State

Pickaway County Park District
Pickaway County
139 West Franklin St.
Circleville, Ohio 43113

To the Board of Park Commissioners:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statement due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your District to prepare a financial statement pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statement in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statement presents are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statement you prepared using the cash basis and financial statement format the AOS permits.

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Dave Yost
Auditor of State

June 14, 2011

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Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Pickaway County Park District
Pickaway County
139 West Franklin St.
Circleville, Ohio 43113

To the Board of Park Commissioners:

We have audited the accompanying financial statement of the Pickaway County Park District, Pickaway County, Ohio (the District) as of and for the years ended December 31, 2010 and 2009. This financial statement is the responsibility of the District's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the District has prepared this financial statement using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statement of the variances between these regulatory accounting practices and GAAP, we presume they are material.

GAAP requires presenting an entity wide statement. While the District does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statement does not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Districts to reformat their statements. The District has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statement referred to above for the years ended December 31, 2010 and 2009 does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2010 and 2009, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statement referred to above presents fairly, in all material respects, the cash balance of the Pickaway County Park District, Pickaway County, Ohio as of December 31, 2010 and 2009, and its cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The District has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statement.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2011, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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".

June 14, 2011

Dave Yost
Auditor of State

**PICKAWAY COUNTY PARK DISTRICT
PICKAWAY COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

	2010	2009
Cash Receipts:		
Local Contributions	\$ 36,533	\$ -
Other Receipts	1,786	-
	38,319	-
Cash Disbursements:		
Current Disbursements:		
Conservation/Recreation:		
Salaries	-	4,020
Fringe Benefits	67	621
Contracts - Services	50,202	2,930
Travel	301	-
Other	98	825
Debt Service:		
Redemption of Principal	23,983	-
	74,651	8,396
Total Receipts (Under) Disbursements	(36,332)	(8,396)
Other Financing Sources:		
Loan Proceeds	37,652	-
	37,652	-
Excess (Deficiency) of Cash Receipts and Other Financing Sources Over/(Under) Cash Disbursements	1,320	(8,396)
Fund Cash Balance, January 1	3,255	11,651
Fund Cash Balance, December 31	\$ 4,575	\$ 3,255

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

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**PICKAWAY COUNTY PARK DISTRICT
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2010 AND 2009**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Pickaway County Park District, Pickaway County, Ohio (the District) as a body corporate and politic. The probate judge of Pickaway County appoints a five-member Park District Board to govern the District. The Board Members are authorized to acquire, develop, protect, maintain, and improve park lands and facilities. The Board Members may convert acquired land into forest reserves. The Board Members are also responsible for activities related to conserving 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 these assets conducive to the general welfare.

The District's management believes this financial statement presents all activities for which the District is financially accountable.

B. Accounting Basis

This financial statement follows the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The District recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

This statement includes adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Deposit and Investments

As the Ohio Revised Code permits, the Pickaway County Treasurer holds the District's deposits as the District's custodian. The County holds the District's assets in its investment pool, valued at the Treasurer's reported carrying amount.

D. 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 object level of control, and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

**PICKAWAY COUNTY PARK DISTRICT
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2010 AND 2009
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

D. Budgetary Process (Continued)

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1.

3. Encumbrances

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

A summary of 2010 and 2009 budgetary activity appears in Note 3.

2. Retirement Systems

The District's sole employee belonged to the Ohio Public Employees Retirement System (OPERS) in 2009. OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2009, the employee contributed 10% of his gross salary and the District contributed an amount equaling 14% of the participants' gross salary. The District has paid all contributions required through December 31, 2010.

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2010 and 2009 follows:

2010 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$200,000	\$75,971	(\$124,029)
Total	\$200,000	\$75,971	(\$124,029)

2010 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$203,254	\$74,651	\$128,603
Total	\$203,254	\$74,651	\$128,603

**PICKAWAY COUNTY PARK DISTRICT
PICKAWAY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2010 AND 2009
(Continued)**

3. Budgetary Activity (Continued)

2009 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$0	\$0	\$0
Total	\$0	\$0	\$0

2009 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$11,651	\$8,396	\$3,255
Total	\$11,651	\$8,396	\$3,255

4. Risk Management

Commercial Insurance

The District has obtained commercial insurance for the following risks:

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

5. Related Party Transactions

Pickaway County, fiscal agent, is providing funds for the District's Rail to Trails Project. The District received a reimbursable grant not to exceed the amount of \$155,550, which is 75% of the total project. The County is advancing money to the District for the amount of money that will be paid back with the grant funds (See Note 6). The County is also transferring money to the District for the amount of local share dollars the County has agreed to pay in the amount of \$51,850. The 75% portion that will be reimbursed to the County Commissioners by the Park District is reported on the District's financial statement as loan proceeds and debt service expenditures.

6. County Loan

In 2010 the District received a \$37,652 advance from the Pickaway County Commissioners (the County). No formal agreement exists between the County and the District requiring the loan to be paid back in a specific time frame. As of December 31, 2010 \$23,983 had been repaid.

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Dave Yost • Auditor of State

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

Pickaway County Park District
Pickaway County
139 West Franklin St.
Circleville, Ohio 43113

To the Board of Park Commissioners:

We have audited the financial statement of Pickaway County Park District, Pickaway County, Ohio (the District) as of and for the year ended December 31, 2010 and 2009, and have issued our report thereon dated June 14, 2011, wherein we noted the District prepared its financial statement using accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

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 more than a reasonable possibility that a material misstatement of the District's financial statement will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statement is free of material misstatements, 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, providing an opinion 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*.

We did note a certain matter not requiring inclusion in this report that we reported to the District's management in a separate letter dated June 14, 2011.

We intend this report solely for the information and use of management and the Board of Park Commissioners. We intend it for no one other than these specified parties.

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Dave Yost
Auditor of State

June 14, 2011

**PICKAWAY COUNTY PARK DISTRICT
PICKAWAY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2010 AND 2009**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2008-001	Ohio Rev. Code 5705.41- District did not certify funds prior to incurring the obligation	Yes	Finding No Longer Valid
2008-002	Ohio Rev. Code 5705.28(B)(2)- District did not certify available resources or adopt an appropriation measure.	Yes	Finding No Longer Valid

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PICKAWAY COUNTY PARK DISTRICT

PICKAWAY 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 30, 2011