



Dave Yost • Auditor of State

**COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Management's Discussion and Analysis.....	3
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position – Cash Basis – December 31, 2014	9
Statement of Activities – Cash Basis – December 31, 2014	10
Fund Financial Statements:	
Statement of Assets and Fund Balances – Cash Basis – Governmental Funds – December 31, 2014.....	11
Statement of Receipts, Disbursements and Changes in Fund Balances – Cash Basis – Governmental Funds – For the Year Ended December 31, 2014	12
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis – General Fund For the Year Ended December 31, 2014	13
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position – Cash Basis – December 31, 2013	15
Statement of Activities – Cash Basis – December 31, 2013	16
Fund Financial Statements:	
Statement of Assets and Fund Balances – Cash Basis – Governmental Funds – December 31, 2013.....	17
Statement of Receipts, Disbursements and Changes in Fund Balance – Cash Basis – Governmental Funds – For the Year Ended December 31, 2013	18
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis – General Fund For the Year Ended December 31, 2013	19
Notes to the Basic Financial Statements	21
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	33
Schedule of Findings.....	35

This page intentionally left blank.



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Coshocton City and County Park District
Coshocton County
23253 State Route 83 North
Coshocton, Ohio 43812

To the Board of Park 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 the Coshocton City and County Park District, Coshocton County, Ohio (the District), as of and for the years ended December 31, 2014 and 2013, 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 the Coshocton City and County Park District, Coshocton County, Ohio, as of December 31, 2014 and 2013, and the respective changes in cash financial position and the budgetary comparison for the General Fund 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

We applied no procedures to the Management's Discussion & 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 December 10, 2015, 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

December 10, 2015

**Coshocton City and County Park District
Management's Discussion and Analysis
For the Years Ended December 31, 2014 and 2013
Unaudited**

This discussion and analysis of the Coshocton City and County Park District's (the District) financial performance provides an overall review of the District's financial activities for the years ended December 31, 2014 and 2013 within the limitations of the District's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Highlights

Key highlights for 2014 and 2013 are as follows:

- 2014 receipts increased by \$586,507, or 99.3%, from the previous year and 2013 receipts increased by \$90,253, or 18.0% from 2012. The increases can be attributed to increase can be attributed to three main factors. First, 2013 saw an increase in operations and special projects donations, second, the Park District began receiving proceeds from a tax levy in 2014, and third, the Park took out a 2014 municipal loan in the amount of \$125,000 to help offset expenses until levy proceeds were received;
- Disbursements increased as well in both 2014 and 2013 by \$580,905, or 95.2% and \$58,350, or 10.6%, from the previous years, respectively. These increases were attributed to the special aquatic center projects completed just prior to the 2013 season opening, and several special projects in 2014, including waterline installations, equipment purchases, and repayment of the \$125,000 municipal loan.

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 and the statement of activities 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 District-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 generally accepted accounting principles. Under the District's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable), deferred outflows of resources, certain liabilities and their related expenses (such as accounts payable) and deferred inflows of resources are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion contained within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

**Coshocton City and County Park District
Management's Discussion and Analysis
For the Years Ended December 31, 2014 and 2013
Unaudited**

Reporting the District as a Whole

The District was created in 1985 under O.R.C. Section 1545 to provide quality Parks and Recreational opportunities to the residents and visitors to the Coshocton County area. The District is governed by a three-member Board of Commissioners, which appoints a Director and relating staff to oversee daily operations. The District's operation consists both of passive activities (walking trails, biking, hiking, basketball, playgrounds, etc) and fee-based activities (swimming, camping, soccer programs, and several facility rentals). The District's revenue sources are a property tax levy, donations and self-generated fees and sales.

The statement of net position and the statements of activities reflect how the District did financially during 2014 and 2013, within the limitations of cash basis accounting. The statement of net position presents the cash balances of the District and profit center activities of the District at year-end. The statement of activities compares cash disbursements with receipts for the Districts operations.

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, you 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.

The statement of net position and the statement of activities display information about the District as a whole. The District's only activity is Governmental Activities.

Reporting the District's Most Significant Funds

Fund financial statements provide detailed information about the District's major funds-not the District as a whole. The District has established separate funds and they are as follows:

General Fund - This fund consists of all receipts and disbursements from normal daily activities of the District as well as receipts from property taxes, unrestricted intergovernmental revenue and donations.

Capital Improvement Fund - This fund consist of monies set aside for a particular purpose, that being major permanent improvements for the District.

**Coshocton City and County Park District
Management's Discussion and Analysis
For the Years Ended December 31, 2014 and 2013
Unaudited**

The District as a Whole

Table 1 provides a summary of the District's net position comparing 2014, 2013 and 2012 on a cash basis.

(Table 1)

Net Position

Governmental Activities

	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Assets:</u>			
Cash and Cash Equivalents	\$ 51,257	\$ 65,138	\$ 84,621
Total Assets:	51,257	65,138	84,621
 <u>Net Position</u>			
Restricted for:			
Capital Projects	36,330	54,406	75,195
Unrestricted	14,927	10,732	9,426
Total Net Position	\$ 51,257	\$ 65,138	\$ 84,621

Net position decreased \$13,881 or 21.3% during 2014 and \$19,483, or 23.0% during 2013.

**Coshocton City and County Park District
Management's Discussion and Analysis
For the Years Ended December 31, 2014 and 2013
Unaudited**

Table 2 reflects the changes in the net position comparing 2014, 2013 and 2012.

(Table 2)

**Changes in Net Position
Governmental Activities**

	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Revenues:</u>			
Program Revenues:			
Charges for Services	\$ 300,569	\$ 319,003	\$ 346,329
Operating Grants and Contributions	-	26,517	-
Capital Grants and Contributions	148,192	126	165
General Revenue and Special Items:			
Property Taxes Levied for a General Purpose	307,186	-	-
Intergovernmental Revenue, Unrestricted	38,037	-	12,000
Earnings on Investments	134	52	130
Miscellaneous	36,017	82,581	94,107
Unrestricted Grants and Donations	141,923	162,422	47,717
Proceeds of Debt	205,150	-	-
Total Revenues	<u>1,177,208</u>	<u>590,701</u>	<u>500,448</u>
<u>Disbursements:</u>			
Recreation	1,063,614	610,184	551,834
Debt Service:			
Principal Retirement	<u>127,475</u>	<u>-</u>	<u>-</u>
Total Disbursements	<u>1,191,089</u>	<u>610,184</u>	<u>551,834</u>
Change in Net Position	(13,881)	(19,483)	(51,386)
Net Position, January 1	<u>65,138</u>	<u>84,621</u>	<u>136,007</u>
Net Position, December 31	<u><u>\$ 51,257</u></u>	<u><u>\$ 65,138</u></u>	<u><u>\$ 84,621</u></u>

**Coshocton City and County Park District
Management's Discussion and Analysis
For the Years Ended December 31, 2014 and 2013
Unaudited**

Debt

The District had no debt activity in 2013 and took out a municipal loan in the amount of \$125,000 in January, 2014, and paid the loan off in December, 2014. The District obtained a loan from the Ohio Water Development Authority in the amount of \$80,150. At December 31, 2014, the principal due was \$63,398.

Current Issues

The main challenge for the District has historically been reliable funding sources. However, the Park District was able to pass a 0.5 mil, 10-year levy for operations in May of 2013 that should enable us to better serve the recreational needs of Coshocton County residents and visitors. This levy was first collected for tax year 2013, received in 2014.

Contacting the District's Financial Management

This financial report is designed to provide our citizens 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 contained within this report or requests for additional information should be directed to Lori Everhart, Director, Coshocton Park District, 23253 SR 83, Coshocton, OH 43812.

This page intentionally left blank.

COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY

STATEMENT OF NET POSITION - CASH BASIS
December 31, 2014

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$51,257</u>
Total Assets	<u><u>\$51,257</u></u>
Net Position	
Restricted for:	
Capital Projects	\$36,330
Unrestricted	<u>14,927</u>
Total Net Position	<u><u>\$51,257</u></u>

See accompanying notes to the basic financial statements.

COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY

STATEMENT OF ACTIVITIES - CASH BASIS
For the Year Ended December 31, 2014

	<u>Cash Disbursements</u>	<u>Charges for Services</u>	<u>Capital Grants & Contributions</u>	<u>Net (Disbursements) Receipts & Changes in Net Position</u>
Governmental Activities				
Current:				
Recreation	\$ 1,063,614	\$ 300,569	\$ 148,192	\$ (614,853)
Debt Service:				
Principal Retirement	<u>127,475</u>	<u>-</u>	<u>-</u>	<u>(127,475)</u>
Total Governmental Activities	<u>\$ 1,191,089</u>	<u>\$ 300,569</u>	<u>\$ 148,192</u>	<u>(742,328)</u>
General Receipts:				
Property Taxes Levied for a General Purpose				307,186
Intergovernmental Revenue, Unrestricted				38,037
Earnings on Investments				134
Miscellaneous				36,017
Unrestricted Gifts and Donations				141,923
Proceeds of Debt				<u>205,150</u>
Total General Receipts				<u>728,447</u>
Change in Net Position				(13,881)
Net Position Beginning of the Year				<u>65,138</u>
Net Position End of the Year				<u>\$ 51,257</u>

See accompanying notes to the basic financial statements.

COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY

STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS
 GOVERNMENTAL FUNDS
 December 31, 2014

	<u>General Fund</u>	<u>Capital Improvements Fund</u>	<u>Total Governmental Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 14,927	\$ 36,330	\$ 51,257
Total Assets	<u>\$ 14,927</u>	<u>\$ 36,330</u>	<u>\$ 51,257</u>
Fund Balances			
Restricted: Capital Projects	\$ -	\$ 36,330	\$ 36,330
Assigned	<u>14,927</u>	<u>-</u>	<u>14,927</u>
Total Fund Balances	<u>\$ 14,927</u>	<u>\$ 36,330</u>	<u>\$ 51,257</u>

See accompanying notes to the basic financial statements

COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH BASIS
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	General Fund	Capital Improvements Fund	Total Governmental Funds
Cash Receipts:			
Taxes	\$ 307,186	\$ -	\$ 307,186
Intergovernmental	38,037	113,072	151,109
Investment Income	134	120	254
Gifts and Donations	141,923	35,000	176,923
Fees	260,322	-	260,322
Charges for Services	20	-	20
Sales	36,683	-	36,683
Well Proceeds	3,544	-	3,544
Other	28,465	12	28,477
Total Cash Receipts	816,314	148,204	964,518
Cash Disbursements:			
Current:			
Recreation	668,878	394,736	1,063,614
Debt Service:			
Principal Retirement	127,475	-	127,475
Total Cash Disbursements	796,353	394,736	1,191,089
Excess of Cash Receipts Over (Under) Cash Disbursements	19,961	(246,532)	(226,571)
Other Financing Receipts / (Disbursements):			
Other Financing Sources	7,540	-	7,540
Proceeds of Debt	125,000	80,150	205,150
Transfer-In	-	148,306	148,306
Transfer-Out	(148,306)	-	(148,306)
Total Other Financing Receipts / (Disbursements)	(15,766)	228,456	212,690
Excess of Cash Receipts and Other Financing Receipts over (under) Cash Disbursements and Other Financing Disbursements	4,195	(18,076)	(13,881)
Fund Balance Beginning of the Year	10,732	54,406	65,138
Fund Balance End of the Year	\$ 14,927	\$ 36,330	\$ 51,257

See accompanying notes to the basic financial statements

COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 GENERAL FUND
 For the Year Ended December 31, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget Positive (Negative)
Cash Receipts:				
Taxes	\$ 367,879	\$ 306,888	\$ 307,186	\$ 298
Intergovernmental	-	38,037	38,037	-
Investment Income	500	500	134	(366)
Gifts and Donations	5,000	142,111	141,923	(188)
Fees	318,000	260,205	260,322	117
Charges for Services	-	-	20	20
Sales	45,100	37,060	36,683	(377)
Well Proceeds	4,000	4,000	3,544	(456)
Other Revenue	36,350	28,427	28,465	38
Total Cash Receipts	<u>776,829</u>	<u>817,228</u>	<u>816,314</u>	<u>(914)</u>
Cash Disbursements:				
Current:				
Recreation:				
Salaries	246,500	255,700	255,430	270
Employee Fringe Benefits	76,900	74,653	74,502	151
Supplies	26,000	23,767	23,703	64
Materials	39,100	42,925	42,454	471
Equipment	15,500	12,997	12,997	-
Contract Repairs	8,000	14,576	14,576	-
Contract Services	25,300	31,621	30,928	693
Other Expenses	329,029	217,405	214,288	3,117
Debt Service:				
Principal Retirement	125,000	135,101	127,475	7,626
Total Cash Disbursements	<u>891,329</u>	<u>808,745</u>	<u>796,353</u>	<u>12,392</u>
Excess of Cash Receipts Over (Under) Cash Disbursements	<u>(114,500)</u>	<u>8,483</u>	<u>19,961</u>	<u>11,478</u>
Other Financing Receipts / (Disbursements):				
Other Financing Sources	4,500	7,540	7,540	-
Proceeds of Debt	125,000	125,000	125,000	-
Transfers Out	(25,000)	(148,347)	(148,306)	(41)
Total Other Financing Receipts / (Disbursements)	<u>104,500</u>	<u>(15,807)</u>	<u>(15,766)</u>	<u>(41)</u>
Excess of Cash Receipts and Other Financing Receipts over (under) Cash Disbursements and Other Financing Disbursements	<u>(10,000)</u>	<u>(7,324)</u>	<u>4,195</u>	<u>11,519</u>
Fund Balance Beginning of the Year	<u>10,732</u>	<u>10,732</u>	<u>10,732</u>	<u>-</u>
Fund Balance End of the Year	<u>\$ 732</u>	<u>\$ 3,408</u>	<u>\$ 14,927</u>	<u>\$ 11,519</u>

See accompanying notes to the basic financial statements

This page intentionally left blank.

COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY

STATEMENT OF NET POSITION - CASH BASIS
December 31, 2013

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$65,138</u>
Total Assets	<u><u>\$65,138</u></u>
Net Position	
Restricted for:	
Capital Projects	\$54,406
Unrestricted	<u>10,732</u>
Total Net Position	<u><u>\$65,138</u></u>

See accompanying notes to the basic financial statements.

COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY

STATEMENT OF ACTIVITIES - CASH BASIS
For the Year Ended December 31, 2013

	<u>Cash</u> <u>Disbursements</u>	<u>Charges for</u> <u>Services</u>	<u>Operating</u> <u>Grants &</u> <u>Contributions</u>	<u>Capital Grants &</u> <u>Contributions</u>	<u>Net (Disbursements)</u> <u>Receipts & Changes</u> <u>in Net Position</u>
Governmental Activities					
Current:					
Recreation	\$ 610,184	\$ 319,003	\$ 26,517	\$ 126	\$ (264,538)
Total Governmental Activities	<u>\$ 610,184</u>	<u>\$ 319,003</u>	<u>\$ 26,517</u>	<u>\$ 126</u>	<u>(264,538)</u>
General Receipts					
Earnings on Investments					52
Miscellaneous					82,581
Unrestricted Gifts and Donations					<u>162,422</u>
Total General Receipts					<u>245,055</u>
Change in Net Position					(19,483)
Net Position Beginning of the Year					<u>84,621</u>
Net Position End of the Year					<u>\$ 65,138</u>

See accompanying notes to the basic financial statements.

COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY

STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS
 GOVERNMENTAL FUNDS
 December 31, 2013

	<u>General Fund</u>	<u>Capital Improvements Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 10,732	\$ 54,406	\$ -	\$ 65,138
Total Assets	<u>\$ 10,732</u>	<u>\$ 54,406</u>	<u>\$ -</u>	<u>\$ 65,138</u>
Fund Balances				
Restricted: Capital Projects	\$ -	\$ 54,406	\$ -	\$ 54,406
Assigned	<u>10,732</u>	<u>-</u>	<u>-</u>	<u>10,732</u>
Total Fund Balances	<u>\$ 10,732</u>	<u>\$ 54,406</u>	<u>\$ -</u>	<u>\$ 65,138</u>

See accompanying notes to the basic financial statements

COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH BASIS
 GOVERNMENTAL FUNDS
 For the Year Ended December 31, 2013

	General Fund	Capital Improvements Fund	Other Governmental Funds	Total Governmental Funds
Cash Receipts:				
Intergovernmental	\$ -	\$ -	\$ 26,517	\$ 26,517
Investment Income	52	126	-	178
Gifts and Donations	162,422	-	-	162,422
Fees	282,033	-	-	282,033
Charges for Services	112	-	-	112
Sales	33,258	-	-	33,258
Well Proceeds	3,600	-	-	3,600
Other	41,615	-	-	41,615
Total Cash Receipts	523,092	126	26,517	549,735
Cash Disbursements:				
Current:				
Recreation	562,752	20,915	26,517	610,184
Total Cash Disbursements	562,752	20,915	26,517	610,184
Excess of Cash Receipts (Under) Cash Disbursements	(39,660)	(20,789)	-	(60,449)
Other Financing Receipts				
Refund of a Prior Year Disbursement	40,966	-	-	40,966
Total Other Financing Receipts	40,966	-	-	40,966
Excess of Cash Receipts and Other Financing Receipts over (under) Cash Disbursements and Other Financing Disbursements	1,306	(20,789)	-	(19,483)
Fund Balance Beginning of the Year	9,426	75,195	-	84,621
Fund Balance End of the Year	<u>\$ 10,732</u>	<u>\$ 54,406</u>	<u>\$ -</u>	<u>\$ 65,138</u>

See accompanying notes to the basic financial statements

COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
 GENERAL FUND
 For the Year Ended December 31, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget Positive (Negative)
Cash Receipts:				
Investment Income	\$ 100	\$ 100	\$ 52	\$ (48)
Gifts and Donations	25,000	161,422	162,422	1,000
Fees	337,000	278,108	282,033	3,925
Charges for Services	-	-	112	112
Sales	50,200	36,446	33,258	(3,188)
Well Proceeds	4,000	4,000	3,600	(400)
Other Revenue	47,650	41,825	41,615	(210)
Total Cash Receipts	<u>463,950</u>	<u>521,901</u>	<u>523,092</u>	<u>1,191</u>
Cash Disbursements:				
Current:				
Recreation:				
Salaries	221,800	238,818	238,817	1
Employee Fringe Benefits	76,000	69,872	69,694	178
Supplies	27,500	25,273	25,252	21
Materials	34,765	32,615	31,991	624
Equipment	3,500	5,119	5,119	-
Contract Repairs	2,000	6,564	6,564	-
Contract Services	25,000	28,072	27,503	569
Other Expenses	109,385	159,037	157,812	1,225
Total Cash Disbursements	<u>499,950</u>	<u>565,370</u>	<u>562,752</u>	<u>2,618</u>
Excess of Cash Receipts (Under) Cash Disbursements	<u>(36,000)</u>	<u>(43,469)</u>	<u>(39,660)</u>	<u>3,809</u>
Other Financing Receipts				
Refund of a Prior Year Disbursement	<u>26,000</u>	<u>39,996</u>	<u>40,966</u>	<u>970</u>
Total Other Financing Receipts / (Disbursements)	<u>26,000</u>	<u>39,996</u>	<u>40,966</u>	<u>970</u>
Excess of Cash Receipts and Other Financing Receipts over (under) Cash Disbursements and Other Financing Disbursements	(10,000)	(3,473)	1,306	4,779
Fund Balance Beginning of the Year	<u>9,426</u>	<u>9,426</u>	<u>9,426</u>	<u>-</u>
Fund Balance End of the Year	<u>\$ (574)</u>	<u>\$ 5,953</u>	<u>\$ 10,732</u>	<u>\$ 4,779</u>

See accompanying notes to the basic financial statements

This page intentionally left blank.

**COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Years Ended December 31, 2014 and 2013**

1. DESCRIPTION OF THE REPORTING ENTITY

Reporting Entity

The Coshocton City and County Park District (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 Park Commissioners appointed by the Coshocton County Judge of the Probate Court. The District's primary purpose is to create and preserve a system of parks and outdoor recreation areas to serve the needs of the residents and visitors of Coshocton County.

The reporting entity is comprised of the primary government, component units and other organizations that were included to ensure that the financial statements are not misleading.

Primary Government

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 primary government consists of all funds, departments, boards and agencies that are not legally separate from the District.

As park districts are structured in Ohio, the County Auditor and County Treasurer serve respectively as fiscal officer and custodian of funds for the District. As fiscal officer, the County Auditor certifies the availability of cash and appropriations prior to the processing of payments. As the custodian of public funds, the County Treasurer invests District monies held on deposit in the county treasury.

Component Units

Component Units are legally separate 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, are accessible to the District and are significant in amount to the District.

Coshocton City and County Park District has no component units.

**COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Years Ended December 31, 2014 and 2013**

1. DESCRIPTION OF THE REPORTING ENTITY (Continued)

Joint Ventures, Jointly Governed Organizations

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest, or (b) an ongoing financial responsibility. Under the cash basis of accounting, the District does not report assets for equity interest in joint ventures.

The District participates in a public entity risk pool. Note 5 to the financial statements provides additional information for this entity. This organization is the Public Entities Pool of Ohio (PEP). PEP provides property, casualty, and liability coverage.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are presented on a cash basis of accounting. This 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 cash basis of accounting. Following are more of the District's accounting policies.

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 segregate resources that are restricted as to use. The funds of the District are included in one category: governmental.

Governmental Funds

The District classifies funds financed primarily from taxes, intergovernmental receipts (e.g., grants), and other non-exchange transactions as governmental funds. The District's major governmental funds are General Fund and Capital Improvement 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 to the District for any purpose provided it is expended or transferred according to the general laws of Ohio. The Capital Improvement Fund is used to accumulate funds for the purpose of providing capital project improvements for the District. The other governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose.

Basis of Accounting

The District's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, 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 in rather than when a liability is incurred. Any such modifications made by the District are described in the appropriate section in this note. There were no modifications having substantial support.

**COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Years Ended December 31, 2014 and 2013**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Budgetary Process

All funds are legally required to be budgeted and appropriated (except certain agency funds). 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 set limits on 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 the General Fund and at the fund level for all other funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the District Fiscal Officer. The amounts reported in the original budget 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 certificate of estimated resources in effect at the time final appropriations were passed by the District.

The appropriations 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 ordinance for that 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.

Cash

As required by Ohio Revised Code, the County Treasurer is custodian for the District's cash. The District's assets are held in the county's cash and investment pool, and are valued at the County Treasurer's reported carrying amount. In 2014 and 2013, interest credited to the General Fund was \$134 and \$52, respectively.

Fund Balance Classifications

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable Fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

**COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Years Ended December 31, 2014 and 2013**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Restricted Fund balance is reported as 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.

Committed Fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (Resolution) of the District's Board. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing re-sources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Fund classification are amounts intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the District Board or District official delegated that authority by resolution, or by State Statute.

Unassigned Fund balance is the residual classification for the General Fund and includes amounts not contained 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.

Accumulated Leave

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

**COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Years Ended December 31, 2014 and 2013**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employer Contributions to Cost-Sharing Pension Plans

The District recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. The employer contributions include portions for pension benefits and for postretirement health care benefits.

Ohio Public Employees Retirement System

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 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 publicly available financial report that includes financial statements and required supplementary information. This may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4542.

For the years ended December 31, 2014 and 2013, the members of all three plans, except those in law enforcement participating in the traditional plan, contributed 10% of their annual covered salaries. The District's contribution rate for pension benefits for 2014 and 2013 was 14%. The Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2014, 2013 and 2012 were \$35,170, \$32,978 and \$31,760 respectively. The full amount has been contributed for 2014, 2013 and 2012.

**COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Years Ended December 31, 2014 and 2013**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Post Employment Benefits – Ohio Public Employees Retirement System

Plan Description – OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment healthcare plan which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including postemployment health care coverage.

To qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have ten years or more of qualifying Ohio service credit. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy – The post-employment healthcare plan was established under, and is administrated in accordance with, Internal Revenue Code Section 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care. In 2014, the District contributed 14% of covered payroll. Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the post-employment health care benefits. The portion of employer contributions allocated to fund post-employment health care for the members in the Traditional Plan and Combined Plan was 2% in 2014 and 1% in 2013.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. The District's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2014, 2013, and 2012 were \$718, \$333 and \$321, respectively. The full amount has been contributed for 2014, 2013 and 2012.

Long-Term Obligations

The District's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure are reported at inception. Lease payments are reported when paid.

**COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Years Ended December 31, 2014 and 2013**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Net Position

Net position is reported as restricted when there are limitations imposed on their 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 receipts used for the capital improvements of the District.

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.

Interfund Transactions

Exchange transactions between funds are reported as cash receipts in the seller funds and as cash disbursements in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular cash disbursements to the funds that initially paid for them are not presented on the financial statements. In the government-wide statements, transfers within the governmental activities are eliminated.

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 (Budget Basis) presented for the General Fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the cash basis is outstanding year-end encumbrances and are treated as disbursements (budgetary basis) rather than as restricted, assigned or committed fund balance (cash basis).

4. PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the District. Real property taxes and public utility taxes are levied after November 1 on the assessed value listed as of the prior tax lien date of January 1. Assessed values are established by state law at 35% of fair 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 taxes collected in calendar year 2014 was \$741,667,640. The full rate for the District operations applied to real property for fiscal year ended December 31, 2014, was \$.50 per \$1,000 of assessed valuation and the effective rate collected was the same.

**COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Years Ended December 31, 2014 and 2013**

4. PROPERTY TAXES (Continued)

The assessed values of real and public utility property upon which 2014 collection year property tax receipts were based are as follows:

<u>Real Property</u>	
Agricultural/Residential	\$ 470,210,840
Commercial/Industrial/Mineral	117,770,290
<u>Public Utility</u>	
Real	6,689,900
Personal	146,996,610
	<u>\$ 741,667,640</u>

Real property taxes are payable annually or semi-annually. For the 2013 tax year, collected in calendar year 2014, the due dates were March 14, 2014, and August 1, 2014, if paid semi-annually. Under certain circumstances, state statute permits earlier or later payment dates to be established other than those listed in Ohio Revised Code Section 323.12.

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.

5. RISK MANAGEMENT

The District is exposed to various risks of property and casualty losses, and injuries to employees.

The District insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The District provides for health insurance and dental insurance for full-time employees through a private carrier, Ault Care, Canton, Ohio.

Risk Pool Membership

The District is exposed to various risks of property and casualty losses, and injuries to employees.

The District insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The District belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

**COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Years Ended December 31, 2014 and 2013**

5. RISK MANAGEMENT (Continued)

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2014, PEP retained \$350,000 for casualty claims and \$100,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2013 and 2014:

	<u>2013</u>	<u>2014</u>
Assets	\$34,411,883	\$35,402,177
Liabilities	(12,760,194)	(12,363,257)
Net Position	<u>\$21,651,689</u>	<u>\$23,038,920</u>

At December 31, 2013 and 2014, respectively, the liabilities above include approximately 11.6 million and \$11.1 million of estimated incurred claims payable. The assets above also include approximately \$11.1 million and \$10.8 million of unpaid claims to be billed. The Pool's membership increased from 475 members in 2013 to 488 members in 2014. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2014, the District's share of these unpaid claims collectible in future years is approximately \$27,000.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

<u>Contributions to PEP</u>	
<u>2013</u>	<u>2014</u>
\$26,507	\$40,753

**COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Years Ended December 31, 2014 and 2013**

5. RISK MANAGEMENT (Continued)

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

6. TRANSFERS

There were no transfers for 2013. Following is a summary of transfers in and out of all funds for 2014:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 0	\$ 148,306
Capital Improvements	148,306	0
Totals	\$ 148,306	\$ 148,306

Transfers are used to move revenues from funds that statute or budget requires to collect them to the funds that statute or budget requires to expend them; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; to return money to the from which it was originally provided once a project is completed; and to transfer capital assets.

7. LEASE OF GOLF COURSE

The District entered into a lease agreement dated March 1, 2012 through December 31, 2012, with Black Diamond Golf Course, LTD., to operate the District's golf course. This lease has been extended through December 31, 2015. This lease agreement entitled Black Diamond Golf Course, LTD., to use of all golf course buildings and equipment owned by the District, including the club house, golf carts, etc.

The rent paid to the District from Black Diamond Golf Course, LTD., was \$3,500 in both 2014 and 2013.

**COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Years Ended December 31, 2014 and 2013**

8. LONG TERM OBLIGATIONS

Debt outstanding at December 31, 2014 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Water Development Authority	<u>\$63,398</u>	3.74%

District entered into a loan with the Ohio Water Development Authority (OWDA) for the purpose of waterlines in Lake Park.

Amortization of the above debt, excluding interest, is scheduled as follows:

Year ending December 31:	<u>OWDA Debt</u>
2015	\$13,288
2016	16,089
2017	16,696
2018	<u>17,325</u>
Total	<u>\$63,398</u>

This page intentionally left blank.



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

Coshocton City and County Park District
Coshocton County
23253 State Route 83 North
Coshocton, Ohio 43812

To the Board of Park 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 financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Coshocton City and Coshocton Park District, Coshocton County, Ohio (the District), as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 10, 2015, 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. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings that we consider a significant deficiency. We consider finding 2014-001 to be a significant deficiency.

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*.

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 style with a large, looping initial "D".

Dave Yost
Auditor of State
Columbus, Ohio

December 10, 2015

**COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2014 AND 2013**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
--

FINDING NUMBER 2014-001

Significant Deficiency

The District should maintain an accounting system and accounting records sufficient to enable the District to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements.

As a result of audit procedures performed, errors were noted in the District's financial statements that required audit reclassifications as follows:

- During 2013, the General Fund incorrectly reported \$25,000 in Gifts and Donations as Intergovernmental Revenue and incorrectly reported \$58,897 in Gifts and Donations as Other Revenue;
- During 2014, the General Fund incorrectly reported \$38,037 in Intergovernmental as Property Taxes;
- During 2014, the Capital Improvement Fund incorrectly reported \$80,150 of Debt Proceeds as Intergovernmental and \$35,000 of Gifts and Donations as Other Receipts;
- The District presented the Statement of Activities for the District as a whole. Reporting in the Statement of Activities was defined in Governmental Accounting Standards Board (GASB) Statement No. 34. For each year, the District did not report the entire activity of their Governmental Activities in this Statement. Additionally, receipts were primarily grouped into one classification, Miscellaneous, instead of being properly identified as either a specific program revenue or general revenue. The following inaccurate reporting in the Statement of Activities was noted:
 - For 2014, the beginning fund balance, Earnings on Investments, Miscellaneous Revenue and Recreation Disbursements were overstated by \$5, \$120, \$992,218 and \$275,786, respectively. This led, in part, to Principal Retirement, Charges for Services program revenue, Capital Grants and Contributions program revenue, Property Taxes Levied for a Specific Purpose, Intergovernmental Revenue (Unrestricted), Unrestricted Gifts and Donations and Proceeds of Debt being understated by \$127,475, \$3,544, \$148,192, \$307,186, \$38,037, \$141,923 and \$205,150, respectively; and
 - For 2013, Earnings on Investments and Miscellaneous Revenue were overstated by \$125 and \$166,022, respectively. This led, in part, to Recreation Disbursements, Charges for Services program revenue, Operating Grants and Contributions program revenue, Capital Grants and Contributions program revenue and Unrestricted Gifts and Donations being understated by \$26,518, \$3,600, \$26,517, \$126 and \$162,422, respectively.
- Governmental Accounting Standards Board (GASB) Statement No. 54 defined how fund balances were to be classified. GASB 54 paragraphs 8 through 9 required reporting funds whose revenue with external legal constraints as Restricted. GASB 54 paragraphs 10 through 12 required reporting funds whose revenue had constraints imposed by the Board, which could not be changed without Board approval, as Committed. GASB 54 paragraphs 13 through 16 required funds without external or internal constraints to report Assigned fund balances for amounts encumbered or set aside to cover the excess of subsequent year appropriations exceeding estimated revenue. GASB 54 paragraph 17 required funds that have a negative balance to be reported as Unassigned regardless of their classification, or purpose, when having positive fund balances. The District did not report fund balances utilizing GASB 54.

**COSHOCTON CITY AND COUNTY PARK DISTRICT
COSHOCTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2014 AND 2013
(Continued)**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
--

FINDING NUMBER 2014-001 (Continued)

Significant Deficiency (Continued)

The following inaccurate reporting of fund balances was noted:

- For 2014, the District reported \$7,835 in Reserved for Encumbrances and \$28,495 in Unreserved, Undesignated in the Capital Improvement Fund. The resources of the Capital Improvement Fund were restricted based upon external legal constraints. Therefore, the entire \$36,330 balance should have been reported as Restricted for Capital Projects;
- For 2013, the District reported \$2,586 in Reserved for Encumbrances and \$51,820 in Unreserved, Undesignated in the Capital Improvement Fund. The resources of the Capital Improvement Fund were restricted based upon external legal constraints. Therefore, the entire \$54,406 balance should have been reported as Restricted for Capital Projects;
- For 2014, the District reported \$3,492 in Reserved for Encumbrances and \$11,435 in Unreserved, Undesignated in the General Fund. The resources of the General Fund were unassigned as there are no external legal constraints. However, the entire fund balance was either assigned to pay outstanding encumbrances or assigned to cover the deficit of subsequent year appropriations exceeding subsequent year estimated revenue. As a result, the entire \$14,927 should have been reported as Assigned; and
- For 2013, the District reported \$1,351 in Reserved for Encumbrances and \$9,381 in Unreserved, Undesignated in the General Fund. The resources of the General Fund were unassigned as there are no external legal constraints. However, the entire fund balance was either assigned to pay outstanding encumbrances or assigned to cover the deficit of subsequent year appropriations exceeding subsequent year estimated revenue. As a result, the entire \$10,732 should have been reported as Assigned.

Additionally, the District presented the Management's Discussion and Analysis. The District presented the Change in Net Position for the District as a whole utilizing only General Fund information instead of the financial information for the entire District. Additionally, it was not presented in accordance to the format prescribed under GASB 34.

Sound financial reporting is the responsibility of the District Director and Fiscal Officer and is essential to help ensure the information provided to the readers of the financial statements is complete and accurate. The District's financial statements have been adjusted accordingly.

To help ensure the District's financial statements are complete and accurate, the District should adopt policies and procedures to identify and correct errors and omissions in reporting.

Officials' Response: We did not receive a response from Officials to this finding.



Dave Yost • Auditor of State

COSHOCTON CITY AND COUNTY PARK DISTRICT

COSHOCTON 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
DECEMBER 29, 2015**