



**PAINESVILLE TOWNSHIP PARK DISTRICT
LAKE COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999-1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

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REPORT OF INDEPENDENT ACCOUNTANTS

Painesville Township Park District
Lake County
1025 Hardy Road
Painesville Township, Ohio 44077

To the Board of Trustees:

We have audited the accompanying financial statements of Painesville Township Park District, Lake County, Ohio, (the District) as of and for the years ended December 31, 1999 and December 31, 1998. These financial statements are the responsibility of the District'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, the District 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 the Painesville Township Park District, Lake County, as of December 31, 1999 and December 31, 1998, 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 March 7, 2000 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 grants.

This report is intended solely for the information and use of management, the Board of Trustees 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

March 7, 2000

Painesville Township Park District

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

Cash Receipts:	
Intergovernmental	\$111,999
Property Tax Refund	356
Interest	<u>1,529</u>
Total Cash Receipts	<u>113,884</u>
Cash Disbursements:	
Salaries	9,150
Utilities	19,577
Insurance	356
Federal Income Tax Form Preparation	75
Lake County Treasurer	6,102
Construction Project	36,000
Road Improvement	1,258
Engineering Fees	488
Landscaping Fees	760
Miscellaneous	<u>433</u>
Total Cash Disbursements	<u>74,199</u>
Total Receipts Over/(Under) Disbursements	<u>39,685</u>
Fund Cash Balances, January 1	<u>30,950</u>
Fund Cash Balances, December 31	<u><u>\$70,635</u></u>

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

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN FUND CASH BALANCE - THE GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1998**

Cash Receipts:	
Intergovernmental	<u>\$102,665</u>
Total Cash Receipts	<u>102,665</u>
Cash Disbursements:	
Salaries	9,000
Legal Services	1,719
Insurance	249
Utilities	18,750
Treasurer - State of Ohio	944
Lake County Treasurer	5,363
Park Cottage Renovation	15,812
Loan and Interest Payments	32,255
Landscaping and Land Clearing	6,080
Miscellaneous	<u>422</u>
Total Cash Disbursements	<u>90,594</u>
Total Receipts Over/(Under) Disbursements	<u>12,071</u>
Fund Cash Balances, January 1	<u>18,879</u>
Fund Cash Balances, December 31	<u><u>\$30,950</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Painesville Township Park District, Lake County, Ohio, (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 Trustees appointed by the Lake County Common Pleas Probate Judge. The District is in a joint venture with the Lake MetroParks and uses the Lake MetroPark rangers to provide security of persons and property.

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

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

C. Cash and Investments

The District has a checking account and money market account and does not have any investments.

D. Fund Accounting

The District accounts for all of its financial activity in the General Fund. The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

E. Property, Plant and Equipment

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

2. EQUITY IN POOLED CASH AND INVESTMENTS

The District maintains a cash and investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	<u>1999</u>	<u>1998</u>
Total demand deposits	<u>\$70,635</u>	<u>\$30,950</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

3. RETIREMENT SYSTEMS

The District's Clerk belongs to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. The plan provides retirement benefits, including post retirement 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 1999 and 1998, members of PERS contributed 8.5% of their gross wages to the PERS. The District contributed an amount equal to 13.55% of participants' gross wages. The District has paid all contributions required through December 31, 1999.

4. RISK MANAGEMENT

The District has obtained commercial liability insurance.

5. RELATED PARTY TRANSACTIONS

The Clerk of the District is a partner of the law firm which is also the legal counsel for the District. The District paid \$242.50 in 1998 and \$900.00 in 1999 for legal fees to the law firm.

6. DEBT

In 1998, the District retired a commercial loan. The proceeds from this loan were used to renovate the District's cottage.



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

Painesville Township Park District
Lake County
1025 Hardy Road
Painesville Township, Ohio 44077

To the Board of Trustees:

We have audited the financial statements of Painesville Township Park District, Lake County, Ohio, (the District) as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated March 7, 2000. 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 the District'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*.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the District'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 the District in a separate letter dated March 7, 2000.

Painesville Township Park District
Lake County
Report on Compliance and on Internal Control Required by
Government Auditing Standards
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This report is intended for the information and use of management and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

March 7, 2000



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PAINESVILLE PARK DISTRICT

LAKE 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
APRIL 13, 2000**