



**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010**



**Dave Yost • Auditor of State**



**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Crawford Park District  
Crawford County  
2401 State Route 598  
Crestline, Ohio 44827

To the Board of Commissioners:

We have audited the accompanying financial statements of the governmental activities and the major fund of the Crawford Park District, Crawford County, Ohio, (the District) as of and for the years ended December 31, 2011 and 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements 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 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 audit provides a reasonable basis for our opinions.

Financial information of the Friends of the Crawford Park District, Inc. (the Friends), a discretely presented component unit, is disclosed in Note 9. However, accounting principles generally accepted in the United States of America require the financial data for the Friends to be reported in the basic financial statements as a discretely presented component unit of the District. We were not engaged to audit the Friend's information presented in Note 9, and accordingly, our opinion does not extend to Note 9.

As discussed in Note 2, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, because of the omission of the Friend's financial statements, as discussed above, the financial statements referred to above do not present fairly the financial position of the discretely presented component unit for the Crawford Park District, Crawford County, Ohio, as of December 31, 2011 and 2010, and the changes in its financial position thereof for the years then ended in conformity with the cash accounting basis Note 2 describes..

In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities and the major fund of the Crawford Park District, Crawford County, Ohio, as of December 31, 2011 and 2010, and the respective changes in cash financial position, thereof and the budgetary comparison for the General fund for the years then ended in conformity with cash accounting basis Note 2 describes.

As described in Note 3, during 2010 the District adopted Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2012, 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.

We conducted our audit to opine on the District's financial statements taken as a whole. Management's Discussion & Analysis includes tables of net assets, changes in net assets, and governmental activities. These tables provide additional information, but are not part of the basic financial statements. However these tables are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These tables were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. Other than the aforementioned procedures applied to the tables, we applied no procedures to any other information in Management's Discussion & Analysis, and we express no opinion or any other assurance on it.



**Dave Yost**  
Auditor of State

September 24, 2012

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
UNAUDITED**

The discussion and analysis of the Park District's (the District) financial performance provides a review of the District's financial activities for the years ended December 31, 2011 and 2010, within the limitations of the District's cash basis of accounting. The intent of this discussion and analysis is to provide readers with a general explanation of the District's financial performance. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

**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.

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities and conditions on a cash basis of accounting.

The Statement of Net Assets - Cash Basis and Statement of Activities - Cash Basis provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. 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 government-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) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
UNAUDITED  
(Continued)**

***Reporting the District as a Whole***

The statement of net assets and the statement of activities reflect how the District did financially during 2011 and 2010, within the limitations of the cash basis of accounting. The Statement of Net Assets - Cash Basis presents the cash balance of the governmental activities of the District at year end. The Statement of Activities - Cash Basis compares disbursements with program receipts for each governmental activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of disbursements with program receipts identifies how each governmental function draws from the District's general receipts.

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 are one indicator of whether the District's financial health is improving or deteriorating. When evaluating the District's financial condition, you should also consider other nonfinancial factors as well such as the reliance on non-local financial resources for operations and the need for continued growth.

The Statement of Net Assets - Cash Basis reports all of the District's activities, which are governmental. Charges for services, contributions and local government revenue finance most of these activities.

***Reporting the District's Most Significant Fund***

***Fund Financial Statements***

Fund financial statements provide detailed information about the District's fund.

The District's activities are reported in a governmental fund. The governmental fund financial statements provide a detailed short-term view of the District's governmental operations and the conservation and recreational services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the District's programs. The District's governmental fund is the General Fund.



**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
UNAUDITED  
(Continued)**

**The District as a Whole**

Table 1 provides a summary of the District's net assets on a cash basis for 2011 compared to 2010 and 2009:

**Table 1  
Net Assets - Cash Basis**

	<b>Governmental Activities</b>		
	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>Assets</b>			
Cash and Cash Equivalents	\$73,047	\$97,721	\$91,094
<b>Net Assets</b>			
Unrestricted	73,047	97,721	91,094
<b>Total Net Assets</b>	<b>\$73,047</b>	<b>\$97,721</b>	<b>\$91,094</b>

As reflected in the table above, net assets decreased to \$73,047 in 2011 from \$97,721 in 2010. The 25 percent decrease in net assets for 2011 is attributed to the District's expenditures exceeding receipts by \$24,674. Although expenditures decreased from 2010 to 2011, receipts were significantly higher in 2010 due to a large contribution from an individual's estate. Net assets increased 7 percent from 2009 to 2010 from an increase in grant funding.

Table 2 reflects the changes in net assets for 2011, 2010, and 2009.

**Table 2  
Change in Net Assets**

	<b>Governmental Activities</b>		
	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>Program Cash Receipts</b>			
Charges for Services	\$18,745	\$17,476	\$17,304
Operating Grants and Contributions	113,487	165,797	162,951
<b>Total Program Cash Receipts</b>	<b>132,232</b>	<b>183,273</b>	<b>180,255</b>
<b>General Receipts</b>			
Interest	332	410	282
Miscellaneous	262	2,611	5,249
<b>Total General Receipts</b>	<b>594</b>	<b>3,021</b>	<b>5,531</b>
<b>Total Receipts</b>	<b>132,826</b>	<b>186,294</b>	<b>185,786</b>

(continued)

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
UNAUDITED  
(Continued)**

**Table 2  
Change in Net Assets (continued)**

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Disbursements</b>			
Conservation and Recreation	157,500	179,667	160,396
<b>Total Disbursements</b>	<u>157,500</u>	<u>179,667</u>	<u>160,396</u>
<b>Change in Net Assets</b>	(24,674)	6,627	25,390
<b>Net Assets Beginning of Year</b>	<u>97,721</u>	<u>91,094</u>	<u>65,704</u>
<b>Net Assets End of Year</b>	<u><u>\$73,047</u></u>	<u><u>\$97,721</u></u>	<u><u>\$91,094</u></u>

Program receipts accounted for nearly all of the Park District's total receipts in 2011 and in 2010. These receipts consist primarily of membership fees, contributions, and state and local operating grants. A 7 percent increase was realized in charges for services from 2010 to 2011 due to an increase in fees and an increase in enrollment for the Summer Nature Camp programs. Operating grants and contributions decreased by nearly 32 percent from 2010 to 2011. In 2010, the District received a significant contribution and a grant from the Ohio Department of Transportation for paving parking lots. Total program cash receipts changed insignificantly from 2009 to 2010. The 12 percent decrease in disbursements from 2010 to 2011 is attributable to the paving of parking lots in 2010. The increase in disbursements from 2009 to 2010 is also attributable to the paving of parking lots in 2010.

**Governmental Activities**

Table 3 indicates the total cost of services and the net cost of services. The Statement of Activities - Cash Basis reflects the cost of program services and the charges for services and operating grants and contributions offsetting those services. The total cost of services represents expenses related to conservation and recreation activities. The net cost of services identifies the cost of those services supported by membership fees, contributions and local government revenue.

**Table 3  
Governmental Activities**

	<u>Total Cost of Services</u>			<u>Net Cost of Services</u>		
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Conservation and Recreation	<u>\$157,500</u>	<u>\$179,667</u>	<u>\$160,396</u>	<u>(\$25,268)</u>	<u>\$3,606</u>	<u>\$19,859</u>
<b>Total Distribution</b>	<u><u>\$157,500</u></u>	<u><u>\$179,667</u></u>	<u><u>\$160,396</u></u>	<u><u>(\$25,268)</u></u>	<u><u>\$3,606</u></u>	<u><u>\$19,859</u></u>

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
UNAUDITED  
(Continued)**

For 2011, the cost of providing services exceeded program receipts, which are comprised of charges for services and operating grants and contributions. The negative net cost of services for 2011 resulted primarily from a decrease in contributions and grant funding. Program receipts were sufficient to cover the cost of providing services in 2010. The positive net cost of services in 2010 and 2009 demonstrates that program receipts supported District operations for those years. This was largely a result of the District receiving a large contribution along with grant funding from the Ohio Department of Transportation for the paving of parking lots in 2010.

**The District's Fund**

In 2011, the Park District fund had total receipts of \$132,826, disbursements of \$157,500, and a decrease in the cash balance of \$24,674. In 2010, the governmental fund had total receipts of \$186,294 and disbursements of \$179,667. This resulted in a cash balance increase of \$6,627.

***General Fund Budgeting Highlights***

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. During 2011, the District amended its appropriations, and the budgetary statement reflects both the original and final appropriated amounts. The District amended its appropriations in 2011 for the purchase of a pond aeration system and transmitter equipment along with additional materials and supplies. During 2010, the District amended its estimated revenues and appropriations, and the budgetary statement reflects both the original and final appropriated amounts. The District amended estimated revenues in 2010 grant receipts from the Ohio Department of Transportation related to paving parking lots. The District also amended appropriations in 2010 to allow for additional materials and supplies for Park District programs. Appropriations were amended for capital outlay to allow for asphalt paving of parking lots at Sears Woods, and appropriations were amended for contract services for the sealing and maintenance of parking lots at the Nature Center.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and providers with a general overview of the District's finances and to reflect the District's accountability for the money it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Crawford Park District, 2401 St. Rt. 598, Crestline, Ohio 44827.

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**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**STATEMENT OF NET ASSETS - CASH BASIS  
DECEMBER 31, 2011**

	<u>Primary Government Governmental Activity</u>
<b>Assets</b>	
Cash and Cash Equivalents	<u>\$ 73,047</u>
<i>Total Assets</i>	<u><u>73,047</u></u>
<b>Net Assets</b>	
Unrestricted	<u>73,047</u>
<i>Total Net Assets</i>	<u><u>\$ 73,047</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	Program Receipts			Net Disbursements and Changes in Net Assets
Cash Disbursements	Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activity	
<b>Governmental Activity</b>				
Conservation and Recreation	\$ 157,500	\$ 18,745	\$ 113,487	\$ (25,268)
		<b>General Receipts</b>		
		Interest	332	
		Miscellaneous	262	
		<i>Total General Receipts</i>	594	
		Change in Net Assets		(24,674)
		<i>Net Assets Beginning of Year</i>		97,721
		<i>Net Assets End of Year</i>	\$	73,047

See accompanying notes to the basic financial statements

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCE  
GOVERNMENTAL FUND  
DECEMBER 31, 2011**

	<u>General</u>
<b>Assets</b>	
Cash and Cash Equivalents	<u>\$ 73,047</u>
<i>Total Assets</i>	<u><u>73,047</u></u>
<b>Fund Balance</b>	
Assigned	3,297
Unassigned	<u>69,750</u>
<i>Total Fund Balance</i>	<u><u>\$ 73,047</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGE IN CASH BASIS  
FUND BALANCE - GOVERNMENTAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	General
<b>Receipts</b>	
Grants	\$ 14,699
Intergovernmental	74,573
Charges for Services	18,745
Contributions	24,215
Interest	332
Miscellaneous	262
	132,826
<i>Total Receipts</i>	<i>132,826</i>
<b>Disbursements</b>	
Current:	
Conservation and Recreation	
Personal Services	111,427
Materials and Supplies	7,765
Contractual Services	21,962
Capital Outlay	7,566
Other	8,780
	157,500
<i>Total Disbursements</i>	<i>157,500</i>
<i>Net Change in Fund Balance</i>	<i>(24,674)</i>
<i>Fund Balance Beginning of Year</i>	<i>97,721</i>
<i>Fund Balance End of Year</i>	<i>\$ 73,047</i>

See accompanying notes to basic financial statements



**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Grants	\$ 10,700	\$ 10,700	\$ 14,699	\$ 3,999
Intergovernmental	75,655	75,655	74,573	(1,082)
Charges for Services	18,820	18,820	18,745	(75)
Contributions	41,682	41,682	24,215	(17,467)
Interest	500	500	332	(168)
Miscellaneous	-	-	262	262
<i>Total Receipts</i>	<u>147,357</u>	<u>147,357</u>	<u>132,826</u>	<u>(14,531)</u>
<b>Disbursements</b>				
Current:				
Conservation and Recreation				
Personal Services	110,957	118,257	111,568	6,689
Materials and Supplies	5,626	10,603	8,236	2,367
Contractual Services	21,769	35,579	24,646	10,933
Capital Outlay	200	11,200	7,566	3,634
Other	10,300	14,800	8,780	6,020
<i>Total Disbursements</i>	<u>148,852</u>	<u>190,439</u>	<u>160,796</u>	<u>29,643</u>
<i>Net Change in Fund Balance</i>	(1,495)	(43,082)	(27,970)	15,112
<i>Fund Balance Beginning of Year</i>	96,226	96,226	96,226	-
Prior Year Encumbrances Appropriated	<u>1,494</u>	<u>1,494</u>	<u>1,494</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 96,225</u>	<u>\$ 54,638</u>	<u>\$ 69,750</u>	<u>\$ 15,112</u>

See accompanying notes to basic financial statements

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**STATEMENT OF NET ASSETS - CASH BASIS  
DECEMBER 31, 2010**

	<u>Primary Government Governmental Activity</u>
<b>Assets</b>	
Cash and Cash Equivalents	<u>\$ 97,721</u>
<i>Total Assets</i>	<u><u>97,721</u></u>
<b>Net Assets</b>	
Unrestricted	<u>97,721</u>
<i>Total Net Assets</i>	<u><u>\$ 97,721</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

		Program Receipts		Net (Disbursements) Receipts and Changes in Net Assets
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activity
<b>Governmental Activity</b>				
Conservation and Recreation	\$ 179,667	\$ 17,476	\$ 165,797	\$ 3,606
		<b>General Receipts</b>		
		Interest		410
		Miscellaneous		2,611
		<i>Total General Receipts</i>		3,021
		Change in Net Assets		6,627
		<i>Net Assets Beginning of Year</i>		91,094
		<i>Net Assets End of Year</i>		\$ 97,721

See accompanying notes to the basic financial statements

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCE  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2010**

	<u>General</u>
<b>Assets</b>	
Cash and Cash Equivalents	<u>\$ 97,721</u>
<b>Fund Balance</b>	
Assigned	1,495
Unassigned	<u>96,226</u>
<i>Total Fund Balance</i>	<u>\$ 97,721</u>

See accompanying notes to the basic financial statements

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGE IN CASH BASIS  
FUND BALANCE - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	General
<b>Receipts</b>	
Grants	\$ 32,093
Intergovernmental	74,547
Charges for Services	17,476
Contributions	59,157
Interest	410
Miscellaneous	2,611
	186,294
<i>Total Receipts</i>	186,294
<b>Disbursements</b>	
Current:	
Conservation and Recreation	
Personal Services	110,879
Materials and Supplies	5,913
Contractual Services	22,748
Capital Outlay	29,722
Other	10,405
	179,667
<i>Total Disbursements</i>	179,667
<i>Net Change in Fund Balance</i>	6,627
<i>Fund Balance Beginning of Year</i>	91,094
	97,721
<i>Fund Balance End of Year</i>	\$ 97,721

See accompanying notes to basic financial statements

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Receipts</b>				
Grants	\$ 700	\$ 21,498	\$ 32,093	\$ 10,595
Intergovernmental	72,020	72,020	74,547	2,527
Charges for Services	17,050	16,850	17,476	626
Contributions	58,268	58,268	59,157	889
Interest	500	500	410	(90)
Miscellaneous	4,400	4,400	2,611	(1,789)
<i>Total Receipts</i>	<u>152,938</u>	<u>173,536</u>	<u>186,294</u>	<u>12,758</u>
<b>Disbursements</b>				
Current:				
Conservation and Recreation				
Personal Services	118,840	126,778	110,879	15,899
Materials and Supplies	4,400	7,400	5,939	1,461
Contractual Services	25,662	36,071	24,217	11,854
Capital Outlay	200	30,117	29,722	395
Other	5,400	12,200	10,405	1,795
<i>Total Disbursements</i>	<u>154,502</u>	<u>212,566</u>	<u>181,162</u>	<u>31,404</u>
<i>Net Change in Fund Balance</i>	(1,564)	(39,030)	5,132	44,162
<i>Fund Balance Beginning of Year</i>	89,330	89,330	89,330	-
Prior Year Encumbrances Appropriated	<u>1,764</u>	<u>1,764</u>	<u>1,764</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 89,530</u>	<u>\$ 52,064</u>	<u>\$ 96,226</u>	<u>\$ 44,162</u>

See accompanying notes to basic financial statements

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

**Note 1 - Reporting Entity**

The Crawford Park District, Crawford 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 Commissioners appointed by the probate judge of Crawford County. The District acquires lands for conversion into forest reserves and for the conservation of the natural resources, including streams, lakes, submerged lands and swamp lands. The Board may also create parks, parkways, and other reservations and may afforest, develop, improve and protect and promote the use of same as the Board deems conducive to the general welfare.

The District's management believes these basic financial statements present all activities for which the District is financially accountable, except for omission of the District's component unit as noted below.

The reporting entity is composed of the primary government. Although required by accounting principles generally accepted in the United States of America, the financial statements do not include the District's component unit.

Friends of the Crawford Park District, Inc. - Friends of the Crawford Park District, Inc. (Friends) is a legally separate not-for-profit non-governmental corporation served by a board of trustees being one member from the District Board, the director of the District, and one member from Friends. The Friends provides membership in an organization for those interested in supporting, encouraging and participating in the educational and scientific pursuits of the District and for the raising of financial support for the operational expenses of the District. Based on the Friends' sole purpose of providing assistance to the District, the Friends is considered a component unit of the District. Friends operates on a fiscal year ending March 31. Unaudited financial information of the Friends is presented in Note 9.

**Note 2 - Summary of Significant Accounting Policies**

As discussed further in Note 2.C, 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. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. Following are the more significant of the District's accounting policies.

A. Basis of Presentation

The District's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

A. Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

The statement of net assets presents the cash balance of the governmental activities of the District at year end. The statement of activities compares disbursements and program receipts for each program or function of the District's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the District is responsible.

Program receipts include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants that are required to be used to support a particular program.

Receipts which are not classified as program receipts are presented as general receipts of the District, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental program is self-financing on a cash basis or draws from the general receipts of the District.

Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in a separate fund in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. The District has only one major fund.

B. Fund Accounting

The District uses a fund 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. The District classifies its fund as governmental.

Governmental Fund

The governmental fund finances all governmental functions of the District. The following is the District's governmental fund:

*General Fund* - The General Fund accounts 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.

C. Basis of Accounting

The District's financial statements are prepared using the cash basis of accounting. 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 rather than when a liability is incurred. Any such modifications made by the District are described in the appropriate section in this note.



**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

C. Basis of Accounting (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 for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

D. Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the operating budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount the Commissioners of the District may appropriate. The appropriations resolution is the Commissioners' authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by the Commissioners. The legal level of control has been established by the Commissioners at the fund, program, and object level.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Park District. The amounts reported as the original budgeted amounts 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 Commissioners of 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 resolution 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 Commissioners of the District during the year.

E. Cash and Cash Equivalents

The County Treasurer is the custodian for the District's monies. The District's assets are held in Crawford County's cash and investment pool and are valued at the County Treasurer's carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the Crawford County Auditor's Office, 112 East Mansfield Street, Bucyrus, Ohio 44820.

F. Inventory and Prepaid Items

The District reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

G. Capital Assets

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

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

H. Accumulated Leave

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

I. Employer Contributions to Cost-Sharing Pension Plans

The District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 6 and 7, the employer contributions include portions for pension benefits and for postretirement health care benefits.

J. Net Assets

Net assets are 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 assets restricted for other purposes primarily include activities of economic development. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available

The government-wide statement of net assets reports no restricted net assets.

K. Fund Balance

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 governmental funds. The classifications are as follows:

Nonspendable - The nonspendable classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash.

Restricted - The restricted classification includes amounts 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 - The restricted committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District. The committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the District, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

K. Fund Balance (Continued)

Assigned - Amounts in the assigned classification are intended to be used by the District for specific purposes do not meet the criteria to be classified as restricted or committed. In the General Fund, assigned amounts represent intended uses established by the District or by a District official delegated that authority by resolution.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications.

The District first applies restricted resources when an expenditure is 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 can be used.

**Note 3 - Change in Accounting Principle and Restatement of Net Assets/Fund Equity**

For 2010 and 2011, the District implemented Governmental Accounting Standard Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of GASB Statement No. 54 did not have a material effect on the financial statements of the District.

**Note 4 - 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 Statements of Receipts, Disbursements and Change 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 difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as expenditures (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at December 31, 2011 and 2010 (budgetary basis) amounted to \$3,297 and \$1,495, respectively.

**Note 5 - Risk Management**

Property and Liability

During 2010 and 2011, the District contracted with Cincinnati Insurance Company for property, general liability, and physical damage insurance. The primary general liability limit is \$2,000,000.

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 6 - Defined Benefit Pension Plans**

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. The report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

For 2011 and 2010, members of all three plans were required to contribute 10 percent of their annual covered salary to fund pension obligations. The District's contribution rate for pension benefits for 2011 and 2010 was 14 percent. 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, 2011, 2010, and 2009 was \$9,367, \$7,958, and \$6,949, respectively. 89 percent has been contributed for 2011 and 100 percent has been contributed for 2010 and 2009. Contributions to the member-directed plan by the District and plan members for 2010 and 2011 were not available as a result of that information being combined with Crawford County's plan.

**Note 7 - Postemployment Benefits**

Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2011 and 2010 employer contribution rates were 14 percent of covered payroll; 4 percent was the portion used to fund health care in 2011; and the portion used to fund health care was 5.5 percent from January 1, through February 28, 2010, and 5 percent from March 1 through December 31, 2010.

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 7 - Postemployment Benefits (Continued)**

Ohio Public Employees Retirement System (Continued)

Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding postemployment health care benefits. The portion of the employer contribution allocated to health care for members in the traditional plan was 4 percent during 2011. The portion of the employer contribution allocated to health care for members in the combined plan was 6.05 percent during 2011.

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 the retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the postemployment health care plan.

The Health Care Preservation Plan (HCCP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employers contribution rates increased on January 1 of each year from 2006 to 2008. These rate increases allowed additional funds to be allocated to the health care plan.

**Note 8 - Contingent Liabilities**

Amounts grantor agencies pay to the Park District are subject to audit and adjustment by the grantor. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Note 9 - Friends of the Crawford Park District, Inc. (unaudited)**

As indicated in Note 1 to the basic financial statements, the following disclosures are made on behalf of Friends of the Crawford Park District, Inc.:

The financial statements are prepared in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the accounting basis used for income tax purposes, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 9 - Friends of the Crawford Park District, Inc. (unaudited) (Continued)**

The Friends' money is held in segregated accounts.

**Statement of Net Assets - Cash Basis  
For the Years Ended March 31, 2011 and 2010**

	<b>2011</b>	<b>2010</b>
<b>Assets</b>		
Current Assets:		
Petty Cash		\$37
Cash in bank - Dedicated Fund	15,265	9,973
Cash in bank - United Bank	28,034	9,279
Cash in bank - United Bank 5260	1,656	656
Investments - Raymond James		173,848
Allowance for Market Value	(24,350)	(39,150)
Total Current Assets	154,643	154,643
Fixed Assets:		
Fixtures and Exhibits	105,436	105,436
Land Improvements	6,058	6,058
Less: Accumulated Depreciation	98,529	87,643
Total Fixed Assets	12,965	23,851
Total Assets	\$208,759	\$178,494
 <b>Liabilities and Net Assets</b>		
Long-Term Liabilities		
Net Assets	208,759	178,494
Total Liabilities and Net Assets	\$208,759	\$178,494

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 9 - Friends of the Crawford Park District, Inc. (unaudited) (Continued)**

**Statement of Revenues, Expenses, and Changes in Net Assets - Cash  
For the Years Ended March 31, 2011 and 2010**

	<b>2011</b>	<b>2010</b>
<b>Revenues</b>		
Contributions and Grants	\$20,915	\$15,624
Special Events and Activities	1,000	6,206
Interest and Dividends	4,192	4,171
Sales	3,580	3,808
Memberships	14,735	12,910
Rent	0	577
Unrealized Gains/Losses	12,151	38,062
Other Income	(272)	(726)
Total Revenues	56,301	80,632
<b>Expenses</b>		
Bank service charges	15	118
Computer supplies	59	518
Crawford Park District	778	757
Depreciation Expense	10,886	10,921
Donations	3,930	26,476
Education and Training	129	10
Fuel	189	386
Golf Scramble	125	172
Insurance	0	284
Mastodon Exhibit	0	100
Memberships	455	160
Memorial Expense	379	657
Miscellaneous	272	511
Office Supplies	84	64
Postage	1,373	1,531
Program	489	588
Professional Fees	686	724
Poetry in Nature Contest	650	0

(continued)

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 9 - Friends of the Crawford Park District, Inc. (unaudited) (Continued)**

**Statement of Revenues, Expenses, and Changes in Net Assets - Cash  
(Continued)**

<b>Expenses (Continued)</b>	<b>2011</b>	<b>2010</b>
Pop Machine	200	0
Refreshments	59	326
Sales Expense	3,256	1,618
Taxes-other	344	349
Water Carnival	232	0
Grant Expenditures	260	2,813
Special Events and Activities	1,187	2,955
Total Expenses	<u>26,037</u>	<u>52,038</u>
Excess (Deficiency) Revenues over Expenses	30,264	28,594
Net Assets as of April 1	<u>178,495</u>	<u>149,901</u>
<b>Net Assets as of March 31</b>	<b><u>\$208,759</u></b>	<b><u>\$178,495</u></b>

Capital Assets - A summary of the Friends' capital assets at March 31, 2011 and 2010 follows:

	<b>2011</b>	<b>2010</b>
Fixtures and Exhibits	<u>\$105,436</u>	<u>\$105,436</u>
Land Improvements	<u>6,058</u>	<u>6,058</u>
Total	<u>111,494</u>	<u>111,494</u>
Less Accumulated Depreciation	<u>98,529</u>	<u>87,643</u>
Total Capital Assets, Net	<u><u>\$12,965</u></u>	<u><u>\$23,851</u></u>

**Note 10 - Subsequent Event**

On March 6, 2012, the voters passed a levy for current and future operational needs of the District including, but not limited to, daily operations, property acquisition, and capital improvements. The levy is for .04 mill (four tenths of one mill) for each one dollar of valuation of taxable property within the Crawford Park District for ten consecutive years, beginning with the year 2012 tax duplicate.





# 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

Crawford Park District  
Crawford County  
2401 State Route 598  
Crestline, Ohio 44827

To the Board of Commissioners:

We have audited the financial statements of the governmental activities and the General fund of the Crawford Park District, Crawford County, Ohio, (the District) as of and for the years ended December 31, 2011 and 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated September 24, 2012, which was qualified due to the omission of the Friends of the Crawford County Park District financial statements. We also noted the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. 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 opinions on the financial statements, 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider finding 2011-001 described in the accompanying schedule of findings to be a material weakness.

### 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, 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*.

The District's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the District's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of the finance committee, management, the Board of Commissioners, and others within the District. We intend it for no one other than these specified parties.

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".

**Dave Yost**  
Auditor of State

September 24, 2012

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2011 AND 2010**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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<b>Finding Number</b>	<b>2011-001</b>
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**Material Weakness  
Reporting Entity**

The Governmental Accounting Standards Board (GASB) establishes standards of accounting and financial reporting for state and local governmental entities. Standards set by GASB guide the preparation of external financial reports for those entities.

GASB Codification Section 2100 established standards for defining and reporting on the financial reporting entity. Per Section 2100.111, the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Friends of the Crawford County Park District (the Friends) is a legally separate not-for-profit organization. The Friends was organized to assist the District with educational and other special projects and capital improvements. Despite the Friends being an entity legally separate from the District, the Friends is a component unit of the District for financial reporting purposes since the nature and significance of the Friends' relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Accordingly, The Friends' financial statements should be included on the District's annual financial statements. As a result, it is necessary for the Friends to provide annual audited financial statements to the District for inclusion in the District's financial statements.

Currently, the Friends does not have an annual audit performed and unaudited financial information of the Friends is included in the notes to the financial statements of the District. Reporting unaudited component unit financial information in the District's annual financial statements resulted in a modified audit opinion on the District's financial statements and, as a result, may affect the evaluation of the District by external users of the financial statements.

We recommend the District take the appropriate measures to ensure the financial statements of its component unit are audited annually. The District should also ensure that such audited statements are obtained timely so that the District is able to comply with the annual financial reporting deadline established by Ohio Rev. Code Section 117.38.

**Officials' Response:**

The citizens of Crawford County have approved a .4 mill new tax to support the Crawford Park District. After the time of the first distribution of tax monies in 2013, the Friends of the Crawford Park District will no longer assume a financial responsibility to support the operating expenses of the Crawford Park District. The Friends of the Crawford Park District Trustees believe that once these public funds become available, that the materiality of the Friends will drop below threshold levels.

**CRAWFORD PARK DISTRICT  
CRAWFORD COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2011 AND 2010**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2009-001	Reporting Entity	No	Finding is being repeated in current audit schedule of findings as Finding 2011-001.



# Dave Yost • Auditor of State

**CRAWFORD PARK DISTRICT**

**CRAWFORD 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  
NOVEMBER 8, 2012**