



Dave Yost • Auditor of State

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

To the Board of Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, and the major fund of Crawford Park District, Crawford County, Ohio (the District), as of and for the years ended December 31, 2013 and 2012, 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 did not audit the financial statements of the Friends of Crawford Parks District, Inc. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amount included for the Friends of Crawford Parks District, Inc., is based solely on the report of other auditors. We conducted our audit 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. The other auditors audited the financial statements of the Friends of Crawford Parks District, Inc. in accordance with auditing standards generally accepted in the United States of America and not in accordance with *Government Auditing Standards*.

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.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, the discretely presented component unit, and the major fund of Crawford Park District, Crawford County, Ohio, as of December 31, 2013 and 2012, 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

Supplemental and Other Information

We audited to opine on the District's financial statements that collectively comprise its basic financial statements.

Management's Discussion & Analysis includes tables of net position, changes in net position, and governmental activities. This information provides additional analysis and is not a required part of the basic financial statements.

These tables are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these tables to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling these tables directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and in accordance with auditing standards generally accepted in the United States of America. In our opinion, these tables are 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 20, 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.

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
Columbus, Ohio

February 20, 2015

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**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
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, 2013 and 2012, 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 Position - 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, 2013 AND 2012
UNAUDITED
(Continued)**

Reporting the District as a Whole

The statement of net position and the statement of activities reflect how the District did financially during 2013 and 2012, within the limitations of the cash basis of accounting. The Statement of Net Position - 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 Position - 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, 2013 AND 2012
UNAUDITED
(Continued)**

The District as a Whole

Table 1 provides a summary of the District's net position on a cash basis for 2013 compared to 2012 and 2011:

**Table 1
Net Position - Cash Basis**

	Governmental Activities		
	2013	2012	2011
Assets			
Cash and Cash Equivalents	\$99,390	\$20,764	\$73,047
Net Position			
Unrestricted	99,390	20,764	73,047
Total Net Position	\$99,390	\$20,764	\$73,047

As reflected in the table above, net position increased to \$99,390 in 2013 from \$20,764 in 2011. The significant increase in net position for 2013 is largely attributable to the District receiving the first year of property tax receipts from the County's voters approving a real property tax levy to support District operations. 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 .4 mills (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. Net position decreased significantly from 2011 to 2012 as a result of the District receiving fewer grants in 2012 compared to 2011 combined with an increase in disbursements in 2012 for reinstating hours of operation at the Nature Center.

Table 2 reflects the changes in net position for 2013, 2012, and 2011.

**Table 2
Change in Net Position**

	Governmental Activities		
	2013	2012	2011
Program Cash Receipts			
Charges for Services	\$22,331	\$22,513	\$18,745
Operating Grants and Contributions	149,992	92,954	113,487
Total Program Cash Receipts	172,323	115,467	132,232

(continued)

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
UNAUDITED
(Continued)**

**Table 2
Change in Position (continued)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Receipts			
Property Taxes	207,833	0	0
Interest	368	219	332
Grants and Entitlements not Restricted to Specific Purposes	36,434	0	0
Miscellaneous	841	3,143	262
Total General Receipts	<u>245,476</u>	<u>3,362</u>	<u>594</u>
Total Receipts	<u>417,799</u>	<u>118,829</u>	<u>132,826</u>
Disbursements			
Conservation and Recreation	<u>339,173</u>	<u>171,112</u>	<u>157,500</u>
Total Disbursements	<u>339,173</u>	<u>171,112</u>	<u>157,500</u>
 Change in Net Position	 78,626	 (52,283)	 (24,674)
 Net Position Beginning of Year	 <u>20,764</u>	 <u>73,047</u>	 <u>97,721</u>
Net Position End of Year	<u>\$99,390</u>	<u>\$20,764</u>	<u>\$73,047</u>

Program cash receipts accounted for 41 percent of the Park District's total receipts in 2013. Program cash receipts consist primarily of membership fees, contributions, and state and local operating grants. Charges for services did not change significantly from 2012 to 2013. The District realized an increase in operating grants and contributions in 2013 as a result of the District receiving grant funding from the State of Ohio for improving infrastructure. Property taxes increased most significantly due to the District receiving the first year of property tax receipts from the County's voters approving a real property tax levy to support District operations.

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.

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
UNAUDITED
(Continued)**

**Table 3
Governmental Activities**

	<u>Total Cost of Services</u>			<u>Net Cost of Services</u>		
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Conservation and Recreation	\$339,173	\$171,112	\$157,500	(\$166,850)	(\$55,645)	(\$25,268)
Total Distribution	<u>\$339,173</u>	<u>\$171,112</u>	<u>\$157,500</u>	<u>(\$166,850)</u>	<u>(\$55,645)</u>	<u>(\$25,268)</u>

For 2013, 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 2013 resulted from a decrease in local government receipts and contributions combined with an increase in cash disbursements for building maintenance and equipment purchases and for the addition of a park naturalist. The negative net cost of services for 2012 resulted primarily from a decrease in contributions and grant funding from 2011.

The District's Fund

In 2013, the Park District fund had total receipts of \$417,799, disbursements of \$339,173, and an increase in the cash balance of \$78,626. The increase in cash balance was largely attributable to the voters approving a levy for the Crawford Park District in 2012. In 2012, the Park District fund had total receipts of \$118,829 and disbursements of \$171,112, resulting in a cash balance decrease of \$52,283.

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 2013, the District amended original receipts for grants related to funding received from the Ohio Department of Transportation for improving roadways and the Ohio Environmental Protection Agency related to implementing a stormwater management project. During 2013, the District amended its appropriations, and the budgetary statement reflects both the original and final appropriated amounts. The District amended its appropriations in 2013 for improving public park roadways within the Parks system and for implementing a stormwater and nutrient reduction demonstration project at Lowe-Volk Park. During 2012, the District amended its appropriations, and the budgetary statement reflects both the original and final appropriated amounts. Appropriations were amended for capital outlay to allow for technology updates, maintenance equipment, and conservation related equipment. Appropriations were amended for personal services for reinstating hours of operation 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 POSITION - CASH BASIS
DECEMBER 31, 2013**

	Primary Government Governmental Activity	Component Unit
Assets		
Cash and Cash Equivalents	99,390	45,164
<i>Total Assets</i>	99,390	45,164
Net Position		
Temporarily Restricted	-	650
Unrestricted	99,390	44,514
<i>Total Net Position</i>	99,390	45,164

See accompanying notes to the basic financial statements

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Program Receipts</u>			<u>Net Disbursements and Changes in Net Position</u>	<u>Component Unit</u>
	<u>Cash Disbursements</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Primary Government Governmental Activity</u>	
Governmental Activity					
Conservation and Recreation	<u>339,173</u>	<u>22,331</u>	<u>149,992</u>	(166,850)	-
Component Unit					
Friends of Crawford Park District, Inc.	<u>54,706</u>	<u>24,629</u>	<u>17,459</u>	-	(12,618)
			General Receipts		
			Property Taxes	207,833	-
			Interest	368	8
			Grants and Entitlements not Restricted to Specific Purposes	36,434	-
			Miscellaneous	841	53
			<i>Total General Receipts</i>	245,476	61
			Change in Net Position	78,626	(12,557)
			<i>Net Position Beginning of Year</i>	20,764	57,721
			<i>Net Position End of Year</i>	<u>99,390</u>	<u>45,164</u>

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, 2013**

	<u>General</u>
Assets	
Cash and Cash Equivalents	<u>\$ 99,390</u>
Fund Balance	
Assigned	11,912
Unassigned	<u>87,478</u>
<i>Total Fund Balance</i>	<u><u>\$ 99,390</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, 2013**

	General
Receipts	
Property Taxes	\$ 207,833
Grants	92,461
Intergovernmental	76,874
Charges for Services	22,331
Contributions	17,091
Interest	368
Miscellaneous	841
<i>Total Receipts</i>	417,799
Disbursements	
Current:	
Conservation and Recreation	
Personal Services	157,068
Materials and Supplies	8,424
Contractual Services	130,838
Capital Outlay	30,319
Other	12,524
<i>Total Disbursements</i>	339,173
<i>Net Change in Fund Balance</i>	78,626
<i>Fund Balance Beginning of Year</i>	20,764
<i>Fund Balance End of Year</i>	\$ 99,390

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, 2013**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property Taxes	\$ 261,675	\$ 261,675	\$ 207,833	\$ (53,842)
Grants	310	88,258	92,461	4,203
Intergovernmental	40,601	40,601	76,874	36,273
Charges for Services	21,500	21,500	22,331	831
Contributions	9,000	9,000	17,091	8,091
Inerest	800	800	368	(432)
Miscellaneous	-	-	841	841
<i>Total Receipts</i>	<u>333,886</u>	<u>421,834</u>	<u>417,799</u>	<u>(4,035)</u>
Disbursements				
Current:				
Conservation and Recreation				
Personal Services	184,525	185,200	157,068	28,132
Materials and Supplies	13,357	11,821	8,928	2,893
Contractual Services	83,253	169,863	141,084	28,779
Capital Outlay	34,861	39,861	30,871	8,990
Other	19,500	16,525	13,134	3,391
<i>Total Disbursements</i>	<u>335,496</u>	<u>423,270</u>	<u>351,085</u>	<u>72,185</u>
<i>Net Change in Fund Balance</i>	(1,610)	(1,436)	66,714	68,150
<i>Fund Balance Beginning of Year</i>	19,154	19,154	19,154	-
Prior Year Encumbrances Appropriated	<u>1,610</u>	<u>1,610</u>	<u>1,610</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 19,154</u></u>	<u><u>\$ 19,328</u></u>	<u><u>\$ 87,478</u></u>	<u><u>\$ 68,150</u></u>

See accompanying notes to basic financial statements

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**STATEMENT OF NET POSITION - CASH BASIS
DECEMBER 31, 2012**

	Primary Government Governmental Activity	Component Unit
Assets		
Cash and Cash Equivalents	\$ 20,764	\$ 57,721
<i>Total Assets</i>	20,764	57,721
Net Position		
Unrestricted	20,764	57,721
<i>Total Net Position</i>	\$ 20,764	\$ 57,721

See accompanying notes to the basic financial statements

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Program Receipts</u>			<u>Net Disbursements and Changes in Net Position</u>	
	<u>Cash Disbursements</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Primary Government Governmental Activity</u>	<u>Component Unit</u>
Governmental Activity					
Conservation and Recreation	<u>\$ 171,112</u>	<u>\$ 22,513</u>	<u>\$ 92,954</u>	\$ (55,645)	\$ -
Component Unit					
Friends of Crawford Park District, Inc.	<u>\$ 44,495</u>	<u>\$ 29,228</u>	<u>\$ 12,962</u>	-	(2,305)
			General Receipts		
			Interest	219	28
			Miscellaneous	3,143	-
			<i>Total General Receipts</i>	3,362	28
			Change in Net Position	(52,283)	(2,277)
			<i>Net Position Beginning of Year</i>	73,047	59,998
			<i>Net Position End of Year</i>	<u>\$ 20,764</u>	<u>\$ 57,721</u>

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, 2012**

	<u>General</u>
Assets	
Cash and Cash Equivalents	<u>\$ 20,764</u>
Fund Balance	
Assigned	1,610
Unassigned	<u>19,154</u>
<i>Total Fund Balance</i>	<u>\$ 20,764</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, 2012**

	General
Receipts	
Grants	\$ 4,210
Intergovernmental	53,115
Charges for Services	22,513
Contributions	35,629
Interest	219
Miscellaneous	3,143
	118,829
<i>Total Receipts</i>	118,829
Disbursements	
Current:	
Conservation and Recreation	
Personal Services	120,245
Materials and Supplies	7,443
Contractual Services	24,706
Capital Outlay	8,439
Other	10,279
	171,112
<i>Total Disbursements</i>	171,112
<i>Net Change in Fund Balance</i>	(52,283)
<i>Fund Balance Beginning of Year</i>	73,047
<i>Fund Balance End of Year</i>	\$ 20,764

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, 2012**

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Grants	\$ 10,650	\$ 10,650	\$ 4,210	\$ (6,440)
Intergovernmental	53,115	53,115	53,115	-
Charges for Services	18,820	18,820	22,513	3,693
Contributions	41,430	41,430	35,629	(5,801)
Interest	500	500	219	(281)
Miscellaneous	-	-	3,143	3,143
<i>Total Receipts</i>	<u>124,515</u>	<u>124,515</u>	<u>118,829</u>	<u>(5,686)</u>
Disbursements				
Current:				
Conservation and Recreation				
Personal Services	116,541	128,441	120,245	8,196
Materials and Supplies	8,272	8,552	7,800	752
Contractual Services	35,668	31,494	25,959	5,535
Capital Outlay	3,500	9,500	8,439	1,061
Other	8,800	12,075	10,279	1,796
<i>Total Disbursements</i>	<u>172,781</u>	<u>190,062</u>	<u>172,722</u>	<u>17,340</u>
<i>Net Change in Fund Balance</i>	(48,266)	(65,547)	(53,893)	11,654
<i>Fund Balance Beginning of Year</i>	69,750	69,750	69,750	-
Prior Year Encumbrances Appropriated	<u>3,297</u>	<u>3,297</u>	<u>3,297</u>	-
<i>Fund Balance End of Year</i>	<u>\$ 24,781</u>	<u>\$ 7,500</u>	<u>\$ 19,154</u>	<u>\$ 11,654</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, 2013 AND 2012**

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.

Primary Government

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the District are not misleading.

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 financial support to the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the District.

The component unit column on the financial statements identifies the financial data of the District's discretely presented component unit, Friends of the Crawford Park District, Inc. It is reported separately to emphasize that it is legally separate from the District.

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 three members 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. It is management's belief its exclusion from the District's financial statements would cause the financial statement to be misleading. Audited financial information of the Friends is presented in Note 10.

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(Continued)**

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. 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 position 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 position 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.

The statement of net position 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.

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(Continued)**

Note 2 - Summary of Significant Accounting Policies (Continued)

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 funds:

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.

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 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.

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(Continued)**

Note 2 - Summary of Significant Accounting Policies (Continued)

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.

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 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits.

J. Net Position

Net position is reported as restricted when there are limitations imposed on its use either through constitutional provisions or enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes primarily include activities of conservation and recreation. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

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

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(Continued)**

Note 2 - Summary of Significant Accounting Policies (Continued)

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 its governmental fund. 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 or enabling legislation (District resolutions).

Enabling legislation authorizes the District to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means the District can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for purposes specified by the legislation.

Committed - The 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.

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.

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(Continued)**

Note 3 - Change in Accounting Principles

For 2012 and 2013, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 61, "The Financial Reporting Entity: Omnibus", Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements", Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position", and Statement No. 66, "Technical Corrections-2012-an amendment of GASB Statements No. 10 and No. 62".

GASB Statement No. 61 modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity and the financial reporting entity display and disclosure requirements. The implementation of this statement did not result in any change to the District's financial statements.

GASB Statement No. 62 incorporates into GASB's authoritative literature certain FASB and AICPA pronouncements issued on or before November 30, 1989. The implementation of this statement did not result in any change to the District's financial statements.

GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in the statement of financial position and related note disclosures. These changes were incorporated in the District's 2012 and 2013 financial statements; however, there was no effect on beginning net position and/or fund balance.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and, thereby, enhance the usefulness of the financial reports. The implementation of this statement did not result in any change to the District's financial statements.

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 Statement 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 restricted, committed, or assigned fund balance (cash basis). The encumbrances outstanding at December 31, 2013 and 2012 (budgetary basis) amounted to \$11,912 and \$1,610, respectively.

Note 5 - Property Taxes

Property taxes include amounts levied against all real and public utility property located in the County. Real property tax revenues received in 2013 represent the collection of 2012 taxes. Real property taxes received in 2013 were levied after October 1, 2012, on the assessed values as of January 1, 2012, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(Continued)**

Note 5 - Property Taxes (Continued)

Public utility property tax revenues received in 2013 represent the collection of 2012 taxes. Public utility real and tangible personal property taxes received in 2013 became a lien on December 31, 2011, were levied after October 1, 2012, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the Crawford Park District. The County Auditor periodically remits to the District its portion of the taxes collected.

The full tax rate for the District for the year ended December 31, 2013, was \$.40 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2013 property tax receipts were based are as follows:

	Amount
Agricultural/Residential and Other Real Estate	\$606,401,100
Public Utility	26,162,440
Total Assessed Value	<u>\$632,563,540</u>

Note 6 - Risk Management

Property and Liability

During 2012 and 2013, the District contracted with Ohio Plan Risk Management, Inc. for property, general liability, and physical damage insurance. The primary general liability limit is \$2,000,000.

Note 7 - 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. Under the combined plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the traditional plan benefit. Member contributions, the investment of which is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(Continued)**

Note 7 - Defined Benefit Pension Plans (Continued)

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 stand-alone financial report that may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of payroll for state and local employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll for members in the state and local classifications. For 2013 and 2012, members in state and local classifications contributed 10 percent of covered payroll. For 2013 and 2012, member and employer contribution rates were consistent across all three plans.

The District's contribution rate for 2013 and 2012 was 14 percent of covered payroll. The portion of the District's contribution used to fund pension benefits is net of postemployment health care benefits. The portion of the District's contribution allocated to health care for members in both the traditional and combined plans was 1 percent for 2013. The portion of the District's contribution allocated to health care members in the traditional plan was 4 percent for 2012. The portion of the employer contribution allocated to health care for members in the combined plan was 6.05 percent for 2012. Effective January 1, 2014, the portion of employer contribution allocated to health care was raised to 2 percent. Employer contribution rates are actuarially determined.

The District's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2013, 2012, and 2011 was \$17,018, \$9,878, and \$9,367, respectively. For 2013, 92 percent has been contributed, and the full amount has been contributed for 2012 and 2011. Contributions to the member-directed plan by the District and plan members for 2012 and 2013 were not available as a result of that information being combined with Crawford County's plan.

Note 8 - Postemployment Benefits

Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans; the traditional plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care plan for qualifying members of both the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including postemployment health care coverage. The plan includes a medical plan, a prescription drug program, and Medicare Part B premium reimbursement.

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(Continued)**

Note 8 - Postemployment Benefits (Continued)

In order to qualify for postemployment health care coverage, age and service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care 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 health care plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 225-5601 or 800-222-7377.

The post-employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through contributions to OPERS. A portion of each employer's contribution is set aside for the funding of postemployment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. For 2012 and 2013, state and local employers contributed 14 percent of covered payroll. This is the maximum employer contribution rate permitted by the Ohio Revised Code.

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 members in both the traditional and combined plans was 1 percent for 2013. The portion of the employer contribution allocated to health care for members in the traditional plan was 4 percent for 2012. The portion of the employer contribution allocated to health care for members in the combined plan was 6.05 percent for 2012. Effective January 1, 2014, the portion of the employer contribution allocated to health care was raised to 2 percent for both plans as recommended by the OPERS actuary.

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 District's contribution allocated to fund postemployment health care benefits for the years ended December 31, 2013, 2012, and 2011 was \$1,309, \$3,951, and \$4,540, respectively. 92 percent has been contributed for 2013 and 100 percent has been contributed for 2012 and 2011.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 9, 2012, with a transition plan commencing on January 1, 2014. With the recent passage of pension legislation under Senate Bill 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contribution toward the health care fund after the end of the transition period.

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(Continued)**

Note 9 - Contingent Liabilities

Amounts grantor agencies pay to the 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 10 - Friends of the Crawford Park District, Inc.

The financial statements of the Friends of the Crawford Park District, Inc. (Friends') are prepared on the cash basis of accounting. Under this method, revenue is recognized when received rather than when earned, and expenses are recognized when paid rather than when the related obligation is incurred.

The financial statements are presented in accordance with Accounting Standards Codification (ASC) No. 958-205, "Presentation of Financial Statements." Under ASC No. 958-205, the organization is required to report information regarding its financial position and activities according to three classes of net assets, as deemed appropriate: Unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. It is the policy of the organization to show restricted contributions whose restrictions are met in the same reporting period as unrestricted contributions.

Net Assets

The net assets of the Friends' and changes therein are classified and reported as follows:

Unrestricted – Unrestricted net assets represent those resources that have no donor imposed restrictions.

Temporarily Restricted – Temporarily restricted net assets represent cash and other assets which have been received with donor stipulations that limit the use of the donated assets. Net assets released from restrictions represent the satisfaction of the restricted purposes specified by the donor. The Friends' had temporarily restricted net assets as of December 31, 2013. The Friends' did not have any temporarily restricted net assets as of December 31, 2012.

Permanently Restricted – Permanently restricted net assets represent those resources which have been permanently restricted by the donor. The Friends' did not have any permanently restricted net assets as of December 31, 2013 or 2012.

Cash and Cash Equivalents

The Friends' considers all highly liquid instruments, such as investments and certificates of deposit with an original maturity of three months or less, to be cash equivalents.

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(Continued)**

Note 10 - Friends of the Crawford Park District, Inc. (Continued)

Federal Income Taxes

The Friends' is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code as a charitable organization. The Friends' has been classified as an entity that is not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code

Affiliate Activity

The organization was created to support activities of the related entity, the District. Substantial donations are made from the Friends' to the District in fulfilling the charitable purpose of the organization. During the years ended December 31, 2013 and 2012, the organization made donations of \$24,021 and \$15,333 to the District to fund various programs and betterments for the District.

Friends of the Parks is an entity created to provide funding for the levy campaign on behalf of the Crawford Park District. During the years ended December 31, 2013 and 2012, the organization made donations of \$2,150 and \$1,000 to the Friends' in support of the levy campaign.

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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*

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

To the Board of 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, the discretely presented component unit, and the major fund of Crawford Park District, Crawford County, (the District) as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated February 20, 2015. Our report refers to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits from the Comptroller General of the United States' *Government Auditing Standards*. Other auditors audited the financial statements of the Friends of Crawford Parks District, Inc., as described in our report on the District's financial statements. The financial statements of the Friends of Crawford Parks District, Inc. were not audited in accordance with *Government Auditing Standards*.

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. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

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 "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

February 20, 2015

**CRAWFORD PARK DISTRICT
CRAWFORD COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2013 AND 2012**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2011-001	Reporting Entity	Yes	

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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
MARCH 12, 2015**