



Certified Public Accountants, A.C.

**PORTAGE PARK DISTRICT
PORTAGE COUNTY
Agreed-Upon Procedures
For the Years Ended December 31, 2017 and 2016**

313 Second St.
Marietta, OH 45750
740.373.0056

1907 Grand Central Ave.
Vienna, WV 26105
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569

1310 Market St.,
Suite 300
Wheeling, WV 26003
304.232.1358

749 Wheeling Ave.,
Suite 300
Cambridge, OH 43725
740.435.3417

www.perrycpas.com



Dave Yost • Auditor of State

Board of Commissioners
Portage Park District
705 Oakwood St. #4
Ravenna, OH 44266

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the Portage Park District, Portage County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the period January 1, 2016 through December 31, 2017. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Portage Park District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

September 5, 2018

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PORTAGE PARK DISTRICT
PORTAGE COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

June 28, 2018

Portage Park District
Portage County
705 Oakwood St. #4
Ravenna, OH 44266

We have performed the procedures enumerated below, which were agreed to by the Board of Commissioners and the management of **Portage Park District**, Portage County (the District) and the Auditor of State on the receipts, disbursements and balances recorded in the District's cash basis accounting records for the years ended December 31, 2017 and 2016 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the District. The District is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2017 and 2016 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District. The sufficiency of the procedures is solely the responsibility of the parties specified in this report.

Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

Cash

1. Portage County is custodian for the District's deposits, and therefore the County's deposit and investment pool holds the District's assets. We compared the District's fund balances reported in its December 31, 2017 Auditor Treasurer Reconciliation Report to the balances reported in the Portage County's accounting records. We noted due to a clerical error in the preparation of the annual financial report the amounts did not agree due to the District improperly rolling forward the 2016 beginning balances to the 2017 fiscal year beginning balances. We also noted that the district improperly recorded a \$1.1 million Advance Out of the General Fund as a positive number instead of a negative number. These clerical errors caused the December 31, 2017 ending cash fund balance on the annual financial report to be overstated by \$1,391,548. We found no other exceptions.

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Cash (Continued)

2. We agreed the January 1, 2016 beginning fund balances recorded in the Combined Statement of Receipts, Disbursements, and Changes in Fund Balances to the December 31, 2015 balances in documentation in the prior year Agreed Upon Procedures working papers. We found no exceptions. We also agreed the January 1, 2017 beginning fund balances recorded in the Combined Statement of Receipts, Disbursements, and Changes in Fund Balances to the December 31, 2016 balances in the Combined Statement of Receipts, Disbursements, and Changes in Fund Balances. In 2017, we noted the balances did not agree due to the District improperly rolling forward the 2016 beginning balances to the 2017 fiscal year beginning balances. We found no other exceptions.

Property Taxes, Intergovernmental and Other Confirmable Cash Receipts

1. We haphazardly selected a property tax receipt from one *Statement of Semiannual Apportionment of Taxes* (the Statement) for 2017 and one from 2016:
 - a. We traced the gross receipts from the *Statement* to the amount recorded in the Year to Date Budget Report. The amounts agreed.
 - b. We inspected the Year to Date Budget Report to confirm the receipt was allocated to the proper fund as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions.
 - c. We inspected the Year to Date Budget Report to confirm whether the receipt was recorded in the proper year. The receipt was recorded in the proper year.
2. We inspected the Year to Date Budget Report to determine whether it included two real estate tax receipts for 2017 and 2016. The Year to Date Budget Report included the proper number of tax receipts for each year.
3. We selected all receipts from the State Distribution Transaction Lists (DTL) from 2017 and all receipts from 2016.
 - a. Agreed the receipt amount to the amount recorded in the Detailed Revenue Ledger. The amounts agreed.
 - b. Confirm the amounts charged complied with rates in force during the period. We found no exceptions.
 - c. Inspected the Cash Receipts Journal to determine the receipt was posted to the proper fund, and was recorded in the proper year. We found no exceptions.
4. We confirmed the amounts paid from the Ohio Public Works Commission and Ohio Water Development Authority to the District during 2017 with the District. We found no exceptions.
 - a. We inspected the Accounting Amendments Report to determine whether these receipts were allocated to the proper fund. We found no exceptions.
 - b. We inspected the Accounting Amendments Report to determine whether the receipts were recorded in the proper year. We found no exceptions.

Debt

1. The prior agreed upon procedures documentation disclosed no debt outstanding as of December 31, 2015.
2. We inquired of management, and inspected the Detailed Revenue Report and Detailed Expenditure Report for evidence of debt issued during 2017 or 2016 or debt payment activity during 2017 or 2016. There were no new debt issuances, nor any debt payment activity during 2017 or 2016.

Payroll Cash Disbursements

1. We haphazardly selected one payroll check for five employees from 2017 and one payroll check for five employees from 2016 from the Detail Check History report and:
 - a. We compared the hours and pay rate, or salary recorded in the Detail Check History report to supporting documentation timecard and legislatively-approved rate or salary. We found no exceptions.
 - b. We inspected the fund and account code to which the check was posted to determine the posting was reasonable based on the employees' duties as documented in the employees' personnel files. We also confirmed the payment was posted to the proper year. We found no exceptions.

2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2017 to confirm remittances were timely charged by the fiscal agent 2016, and if the amounts charged agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding, period of 2017. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2018	December 29, 2017	\$2,437.23	\$2,437.23
State income taxes	January 15, 2018	December 29, 2017	\$474.22	\$474.22
OPERS Retirement	January 30, 2018	January 24, 2018	\$6,142.21	\$6,142.21
Local	January 31, 2018	December 29, 2017	305.23	305.23

3. We haphazardly selected and recomputed one termination payment (unused vacation, etc.) using the following information, and agreed the computation to the amount paid as recorded in the Detail Check History report:
 - a. Accumulated leave records
 - b. The employee's pay rate in effect as of the termination date
 - c. The District's payout policy.

The amount paid was consistent with the information recorded in a. through c. above.

Non-Payroll Cash Disbursements

1. We haphazardly selected ten disbursements from the Detailed Expense Report for the year ended December 31, 2017 and ten from the year ended 2016 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Detailed Expenditure Report and to the names and amounts on the supporting invoices. We found no exceptions.
 - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.

Non-Payroll Cash Disbursements (Continued)

- d. The fiscal officer certified disbursements requiring certification or issued a *Then and Now Certificate*, as required by Ohio Rev. Code Section 5705.28(B)(2) 5705.41(D). We found two instances where the certification date was after the vendor invoice date, and there was also no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code Section [(s) 5705.28(B)(2) and] 5705.41(D) requires certifying at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not inspect all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

Compliance – Budgetary

1. We compared the total estimated receipts from *the Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), to the amounts recorded in the Certification of Resources for the General and Kent Bog funds for the years ended December 31, 2017 and 2016. The amounts agreed.
2. We inspected the appropriation measures adopted for 2017 and 2016 to determine whether, for the General and Capital Projects funds, the Commissioners appropriated separately for “each office, department, and division, and within each, the amount appropriated for personal services,” as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
3. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Certification of Resources Report for 2017 and 2016 for the following funds: General, Headwaters Trail Improvements and Breakneck Creek Improvement funds. The amounts on the appropriation resolutions agreed to the amounts recorded in the Certificate of Resource Reports. We found no exceptions.
4. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.39 prohibits appropriations from exceeding the certified resources. We compared total appropriations to total certified resources for the General, Headwaters Trail Improvements and Breakneck Creek Improvement funds for the years ended December 31, 2017 and 2016. There were no funds for which appropriations exceeded certified resources.
5. For funds existing in prior years, inspect the fund activity to determine whether the fund is still being used for the statutorily approved purpose and that all the required funds were established. All the required funds were established and no funds for which the statutorily approved purpose was no longer valid were included on the accounting records.
6. We inspected the 2017 and 2016 Account Detail History Reports for evidence of interfund transfers exceeding \$1000 which Ohio Rev. Code Sections 5705.14 - .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner (effective after June 30, 2017) or Court of Common Pleas (effective through June 30, 2017).
7. We inquired of management and inspected the Cash Basis Reports to determine whether the District elected to establish reserve accounts permitted by Ohio Rev. Code Section 5705.13. The District did not establish these reserves.

Compliance – Budgetary (Continued)

8. We inspected the Cash Basis Report for the years ended December 31, 2017 and 2016 for negative cash fund balances. Ohio Rev. Code Section 5705.10 (I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. No funds had a negative cash fund balances.

Other Compliance

Ohio Rev. Code Section 117.38 requires Districts to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, in addition to filing extensions granted for extenuating circumstances, allow for refiling complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System for December 31, 2017 and 2016 fiscal year ends included in 2015-2016 or 2016-2017 agreed up on procedure engagements, subsequent to the District's deadline where the initial filing was filed on time but incomplete. We confirmed the District filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for the years ended December 31, 2017 and 2016 in the Hinkle system. There were no exceptions.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively on the District's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is to provide assistance in the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2017 and 2016, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

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PORTAGE COUNTY PARK DISTRICT

PORTAGE 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
SEPTEMBER 18, 2018**