



Dave Yost • Auditor of State

**ASHLAND COUNTY PARK DISTRICT
ASHLAND COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Ashland County Park District
Ashland County
1763 State Route 60
Ashland, OH 44805

To the Board of Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of the Ashland County Park District, Ashland County, Ohio (the District) as of and for the years ended December 31, 2018 and 2017.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no such 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.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the District prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the District does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2018 and 2017, and the respective changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of the Ashland County Park District, Ashland County, as of December 31, 2018 and 2017, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 12, 2019, 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.



Keith Faber
Auditor of State

Columbus, Ohio

August 12, 2019

Ashland County Park District*Ashland County**Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)**All Governmental Fund Types**For the Year Ended December 31, 2018*

	General	Capital Projects	Totals (Memorandum Only)
Cash Receipts			
Property Taxes	\$ 522,472	\$ -	\$ 522,472
Charges for Services	63,106	-	63,106
Intergovernmental	16,650	-	16,650
Fines, Licenses and Permits	1,950	-	1,950
Gifts and Donations	63,490	-	63,490
Reimbursements	744	-	744
Miscellaneous	268	-	268
<i>Total Cash Receipts</i>	<u>668,680</u>	<u>-</u>	<u>668,680</u>
Cash Disbursements			
Current:			
Conservation/Recreation:			
Personal Services - Salaries and Wages	101,487	-	101,487
Personal Services - Employee Benefits	27,171	-	27,171
Supplies and Materials	37,707	529	38,236
Contract Services and Repairs	59,883	360,493	420,376
Equipment	62,696	110,625	173,321
Advertising and Printing	6,706	-	6,706
Travel and Expenses	13,126	-	13,126
Other	45,300	-	45,300
<i>Total Cash Disbursements</i>	<u>354,076</u>	<u>471,647</u>	<u>825,723</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>314,604</u>	<u>(471,647)</u>	<u>(157,043)</u>
Other Financing Receipts (Disbursements)			
Transfers In	-	370,000	370,000
Transfers Out	(370,000)	-	(370,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(370,000)</u>	<u>370,000</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	(55,396)	(101,647)	(157,043)
<i>Fund Cash Balances, January 1</i>	<u>148,368</u>	<u>330,365</u>	<u>478,733</u>
Fund Cash Balances, December 31			
Assigned	57,116	228,718	285,834
Unassigned	35,857	-	35,857
<i>Fund Cash Balances, December 31</i>	<u>\$ 92,973</u>	<u>\$ 228,718</u>	<u>\$ 321,691</u>

See accompanying notes to the basic financial statements

**Ashland County Park District
Ashland County
Notes to the Financial Statements
For the Year Ended December 31, 2018**

Note 1 - Reporting Entity

The Ashland County Park District is organized under Section 1545 of the Ohio Revised Code. Established by order of the probate court in January of 2002, its area includes all of Ashland County.

The park district is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The probate judge of Ashland County appoints a three-member Board of Commissioners to govern the District. The Commissioners are authorized to acquire, develop, protect, maintain, and improve park lands and facilities. The Commissioners may convert acquired land into forest reserves. The Commissioners are also responsible for activities related to conserving natural resources, including streams, lakes, submerged lands, and swamp lands. The Board may also create parks, parkways, and other reservations and may reforest, develop, improve and protect and promote the use of these assets conducive to the general welfare.

The park district's management believes these financial statements present all activities for which the District is financially accountable. In accordance with Ohio Revised Code Section 1545.22, the county auditor and treasurer manage the district's funds.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The District's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which are organized on a fund type basis.

Fund Accounting

The District uses funds 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 funds of the District are presented below:

General Fund The General Fund accounts for and reports all financial resources. 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.

Capital Project Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

Ashland County Park District
Ashland County
Notes to the Financial Statements
For the Year Ended December 31, 2018
(Continued)

Note 2 - Summary of Significant Accounting Policies (Continued)

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2018 budgetary activity appears in Note 3.

Deposit and Investments

As the Ohio Revised Code permits, the Ashland County Treasurer holds the District's deposits as the District's custodian. The County holds the District's assets in its investment pool, valued at the Treasurer's reported carrying amount.

Capital Assets

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Fund Balance

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

Nonspendable - The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

Restricted - Fund balance is *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 - Commissioners can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Commissioners amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**Ashland County Park District
Ashland County
Notes to the Financial Statements
For the Year Ended December 31, 2018
(Continued)**

Note 2 - Summary of Significant Accounting Policies (Continued)

Assigned - Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by District Commissioners or a District official delegated that authority by resolution, or by State Statute.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Note 3 - Budgetary Activity

Budgetary activity for the year ending December 31, 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$667,154	\$668,680	\$1,526
Capital Projects	370,000	370,000	0
Total	\$1,037,154	\$1,038,680	\$1,526

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$793,629	\$781,757	\$11,872
Capital Projects	670,000	428,717	241,283
Total	\$1,463,629	\$1,210,474	\$253,155

Note 4 - Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

During 2018, the park district was supported by a property tax. A tax levy was passed by Ashland County Voters in November of 2016 and collections began in 2017.

**Ashland County Park District
Ashland County
Notes to the Financial Statements
For the Year Ended December 31, 2018
(Continued)**

Note 5 – Deposits and Investments

The Ashland County Treasurer maintains deposits and investments for the park district. The Ohio Revised Code prescribes allowable deposits and investments.

Note 6 - Retirement System

Park district employees are members of the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employee plan. The Ohio Revised Code prescribes this plan's benefits, which include post-retirement healthcare, survivor, and disability benefits.

The Ohio Revised Code prescribes the contribution rates. For 2018, OPERS members contributed ten percent (10%) of their gross salaries. The park district contributed fourteen percent (14%) of salaries of employees. The District has paid all contributions required through December 31, 2018.

Note 7 – Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, and deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for members in the traditional pension plan and combined plan was 0 percent during calendar year 2018. The portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2018.

Note 8 – Risk Management

Risk Pool Membership

The Park District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Park District addresses these risks by being a member of the County Risk Sharing Authority (CORSA) through Ashland County Commissioners. CORSA is a risk sharing pool established by the County Commissioners Association of Ohio (CCAO) to provide property and liability coverage for counties who are members of CCAO. It was incorporated in the State of Ohio in 1987 as a nonprofit corporation. CORSA membership currently consists of 65 counties and 33 multi-county facilities and county affiliated entities.

Each member County has one vote on all matters requiring a vote, to be cast by a designated representative. An elected board of not more than nine Directors manages the affairs of the Corporation. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at April 30, 2018.

	<u>2018</u>
Assets	\$123,215,885
Liabilities	<u>(28,613,349)</u>
Members' Equity	94,602,536

**Ashland County Park District
Ashland County
Notes to the Financial Statements
For the Year Ended December 31, 2018
(Continued)**

Note 8 – Risk Management (Continued)

CORSA provides the following coverage to the park district:

- Property
- Equipment Breakdown
- Crime
- General Liability
- Cyber Liability
- Automobile Liability
- Law Enforcement Liability
- Errors and Omissions Liability

Ashland County Park District
Ashland County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2017

	General	Capital Projects	Totals (Memorandum Only)
Cash Receipts			
Property Taxes	\$ 507,410	\$ -	\$ 507,410
Charges for Services	29,860	-	29,860
Intergovernmental	17,243	-	17,243
Fines, Licenses and Permits	23,146	-	23,146
Gifts and Donations	63,005	-	63,005
Reimbursements	2,488	-	2,488
Miscellaneous	277	-	277
<i>Total Cash Receipts</i>	<u>643,429</u>	<u>-</u>	<u>643,429</u>
Cash Disbursements			
Current:			
Conservation/Recreation:			
Personal Services - Salaries and Wages	42,428	-	42,428
Personal Services - Employee Benefits	9,475	-	9,475
Supplies and Materials	30,165	-	30,165
Contract Services and Repairs	29,204	38,336	67,540
Equipment	20,284	6,299	26,583
Advertising and Printing	4,256	-	4,256
Travel and Expenses	11,973	-	11,973
Other	60,902	-	60,902
<i>Total Cash Disbursements</i>	<u>208,687</u>	<u>44,635</u>	<u>253,322</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>434,742</u>	<u>(44,635)</u>	<u>390,107</u>
Other Financing Receipts (Disbursements)			
Transfers In	-	375,000	375,000
Transfers Out	(375,000)	-	(375,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(375,000)</u>	<u>375,000</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	59,742	330,365	390,107
<i>Fund Cash Balances, January 1</i>	<u>88,626</u>	<u>-</u>	<u>88,626</u>
Fund Cash Balances, December 31			
Assigned	126,474	330,365	456,839
Unassigned	21,894	-	21,894
<i>Fund Cash Balances, December 31</i>	<u>\$ 148,368</u>	<u>\$ 330,365</u>	<u>\$ 478,733</u>

See accompanying notes to the basic financial statements

Ashland County Park District
Ashland County
Notes to the Financial Statements
For the Year Ended December 31, 2017

Note 1 - Reporting Entity

The Ashland County Park District is organized under Section 1545 of the Ohio Revised Code. Established by order of the probate court in January of 2002, its area includes all of Ashland County.

The park district is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The probate judge of Ashland County appoints a three-member Board of Commissioners to govern the District. The Commissioners are authorized to acquire, develop, protect, maintain, and improve park lands and facilities. The Commissioners may convert acquired land into forest reserves. The Commissioners are also responsible for activities related to conserving natural resources, including streams, lakes, submerged lands, and swamp lands. The Board may also create parks, parkways, and other reservations and may reforest, develop, improve and protect and promote the use of these assets conducive to the general welfare.

The park district's management believes these financial statements present all activities for which the District is financially accountable. In accordance with Ohio Revised Code Section 1545.22, the county auditor and treasurer manage the district's funds.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The District's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which are organized on a fund type basis.

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Capital Project Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

Ashland County Park District
Ashland County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)

Note 2 - Summary of Significant Accounting Policies (Continued)

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2017 budgetary activity appears in Note 3.

Deposit and Investments

As the Ohio Revised Code permits, the Ashland County Treasurer holds the District's deposits as the District's custodian. The County holds the District's assets in its investment pool, valued at the Treasurer's reported carrying amount.

Capital Assets

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

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

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Restricted - Fund balance is *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 - Commissioners can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Commissioners amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**Ashland County Park District
Ashland County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)**

Note 2 - Summary of Significant Accounting Policies (Continued)

Assigned - Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by District Commissioners or a District official delegated that authority by resolution, or by State Statute.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Note 3 - Budgetary Activity

Budgetary activity for the year ending December 31, 2017 follows:

2017 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 643,249	\$ 643,429	\$ 180
Capital Projects	375,000	375,000	-
Total	\$ 1,018,249	\$ 1,018,429	\$ 180

2017 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$662,039	\$583,787	\$78,252
Capital Projects	372,500	87,565	284,935
Total	\$1,034,539	\$671,352	\$363,187

Note 4 - Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

During 2017, the park district was supported by a property tax. A tax levy was passed by Ashland County Voters in November of 2016 and collections began in 2017.

**Ashland County Park District
Ashland County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)**

Note 5 – Deposits and Investments

The Ashland County Treasurer maintains deposits and investments for the park district. The Ohio Revised Code prescribes allowable deposits and investments.

Note 6 - Retirement System

Park district employees are members of the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employee plan. The Ohio Revised Code prescribes this plan's benefits, which include post-retirement healthcare, survivor, and disability benefits.

The Ohio Revised Code prescribes the contribution rates. For 2017, OPERS members contributed ten percent (10%) of their gross salaries. The park district contributed fourteen percent (14%) of salaries of employees. The District has paid all contributions required through December 31, 2017.

Note 7 – Risk Management

Risk Pool Membership

The Park District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Park District addresses these risks by being a member of the County Risk Sharing Authority (CORSA) through Ashland County Commissioners. CORSA is a risk sharing pool established by the County Commissioners Association of Ohio (CCAO) to provide property and liability coverage for counties who are members of CCAO. It was incorporated in the State of Ohio in 1987 as a nonprofit corporation. CORSA membership currently consists of 65 counties and 33 multi-county facilities and county affiliated entities.

Each member County has one vote on all matters requiring a vote, to be cast by a designated representative. An elected board of not more than nine Directors manages the affairs of the Corporation. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at April 30, 2017.

	<u>2017</u>
Assets	\$123,062,621
Liabilities	(30,836,698)
Members' Equity	92,225,923

CORSA provides the following coverage to the park district:

- Property
- Equipment Breakdown
- Crime
- General Liability
- Cyber Liability
- Automobile Liability
- Law Enforcement Liability
- Errors and Omissions Liability

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Ashland County Park District
Ashland County
1763 State Route 60
Ashland, Ohio 44805

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 cash balances, receipts, and disbursements by fund type of the Ashland County Park District, Ashland County, (the District) as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements and have issued our report thereon dated August 12, 2019 wherein we noted the District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

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 report is not suitable for any other purpose.



Keith Faber
Auditor of State

Columbus, Ohio

August 12, 2018

**ASHLAND COUNTY PARK DISTRICT
1763 STATE ROUTE 60
ASHLAND, OH 44805**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2018 AND 2017**

Finding Number	Finding Summary	Status	Additional Information
2016-001	Financial Statement Presentation	Partially Corrected	Reissued in Management Letter
2016-002	Timeliness of Deposits	Fully Corrected	

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OHIO AUDITOR OF STATE KEITH FABER



ASHLAND COUNTY PARK DISTRICT

ASHLAND 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 17, 2019**