



OHIO AUDITOR OF STATE
KEITH FABER



O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY
DECEMBER 31, 2019 AND 2018

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

O. O. McIntyre Park District
Gallia County
18 Locust Street, Room 1262
Gallipolis, Ohio 45631

To the Board of Park 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 O. O. McIntyre Park District, Gallia County, Ohio (the Park District), as of and for the years ended December 31, 2019 and 2018.

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 § 117.38 and Ohio Administrative Code § 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 Park 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 Park 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 Park District prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code § 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 Park 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 § 117.38 and Ohio Administrative Code § 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 Park District as of December 31, 2019 and 2018, 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 O. O. McIntyre Park District, Gallia County, Ohio, as of December 31, 2019 and 2018, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D) permit, described in Note 2.

Emphasis of Matter

As discussed in Note 9 to the financial statements for the year ended December 31, 2019, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Park District. We did not modify our opinion regarding this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 2, 2021, on our consideration of the Park 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 Park District's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

March 2, 2021

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O.O. McIntyre Park District

Gallia County

Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)

All Governmental Fund Types

For the Year Ended December 31, 2019

	General	Capital Projects	Totals (Memorandum Only)
Cash Receipts			
Property Taxes	\$364,459	\$0	\$364,459
Charges for Services	24,437	0	24,437
Intergovernmental	35,494	122,500	157,994
Earnings on Investments	534	2,143	2,677
Miscellaneous	19,520	0	19,520
<i>Total Cash Receipts</i>	<u>444,444</u>	<u>124,643</u>	<u>569,087</u>
Cash Disbursements			
Current:			
Conservation/Recreation:			
Salaries	178,812	0	178,812
PERS	21,821	0	21,821
Medicare	2,593	0	2,593
Hospitalization	55,465	0	55,465
Supplies	65,448	1,403	66,851
Contract Services	36,590	121,097	157,687
Other	26,539	0	26,539
<i>Total Cash Disbursements</i>	<u>387,268</u>	<u>122,500</u>	<u>509,768</u>
<i>Net Change in Fund Cash Balances</i>	57,176	2,143	59,319
<i>Fund Cash Balances, January 1</i>	<u>26,267</u>	<u>329,842</u>	<u>356,109</u>
Fund Cash Balances, December 31			
Restricted	0	331,985	331,985
Unassigned (Deficit)	<u>83,443</u>	<u>0</u>	<u>83,443</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$83,443</u></u>	<u><u>\$331,985</u></u>	<u><u>\$415,428</u></u>

See accompanying notes to the basic financial statements

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O. O. McIntyre Park District
Gallia County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 1 – Reporting Entity

The O.O. McIntyre Park District, Gallia County, 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 Gallia 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 afforest, develop, improve and protect and promote the use of these assets conducive to the general welfare.

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

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:

1. General Fund

The General Fund accounts for and reports 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.

2. Capital Project Funds

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). O. O. McIntyre Park District has the following significant Capital Project Funds:

- a) Park District Capital Projects Fund – This fund receives grants and earnings on investments. Funds are used to finance capital improvements and repairs for the District.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The District recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

O. O. McIntyre Park District
Gallia County
Notes to the Financial Statements
For the Year Ended December 31, 2019

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.

Budgetary Process

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

1. ***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.
2. ***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.
3. ***Encumbrances*** The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 2019 budgetary activity appears in Note 3.

Deposit and Investments

As the Ohio Revised Code permits, the Gallia 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.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

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:

O. O. McIntyre Park District
Gallia County
Notes to the Financial Statements
For the Year Ended December 31, 2019

1. ***Nonspendable*** The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.
2. ***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.
3. ***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.
4. ***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.
5. ***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, 2019 follows:

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$444,444	\$444,444	\$0
Capital Projects	124,643	124,643	0
Total	\$569,087	\$569,087	\$0

O. O. McIntyre Park District
Gallia County
Notes to the Financial Statements
For the Year Ended December 31, 2019

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$457,000	\$387,268	\$69,732
Capital Projects	122,500	122,500	0
Total	\$579,500	\$509,768	\$69,732

Note 4 – Property Taxes

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 homestead and rollback deductions. The financial statements include homestead and rollback 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.

Public utilities are also taxed on personal and real property located within the District.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

Note 5 – Risk Management

The District is exposed to various risk of loss related to torts, theft or damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The Park District is covered under Gallia County’s Insurance Policy with County Risk Sharing Authority (CORSA), a jointly governed organization, for liability, property, and crime insurance. The CORSA program has a \$2,500.00 deductible. Health and life insurance are also available to District employees through Gallia County.

Note 6 – Contingent Liabilities

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

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

District’s employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement healthcare and survivor and disability benefits.

O. O. McIntyre Park District
Gallia County
Notes to the Financial Statements
For the Year Ended December 31, 2019

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 14 percent of their gross salaries and the District contributed an amount equaling 10 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2019.

Note 8 – Postemployment Benefits

OPERS offer cost-sharing, multiple-employer defined benefit post-employment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. 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 2019.

Note 9 – COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Park District. In addition, the impact on the Park District's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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O.O. McIntyre Park District

Gallia 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	\$382,579	\$0	\$382,579
Charges for Services	19,041	0	19,041
Intergovernmental	50,012	0	50,012
Earnings on Investments	273	2,073	2,346
Miscellaneous	18,324	164	18,488
<i>Total Cash Receipts</i>	<u>470,229</u>	<u>2,237</u>	<u>472,466</u>
Cash Disbursements			
Current:			
Conservation/Recreation:			
Salaries	200,929	0	200,929
PERS	28,018	0	28,018
Medicare	2,913	0	2,913
Hospitalization	56,642	0	56,642
Supplies	104,170	0	104,170
Contract Services	31,925	0	31,925
Other	36,512	0	36,512
<i>Total Cash Disbursements</i>	<u>461,109</u>	<u>0</u>	<u>461,109</u>
<i>Net Change in Fund Cash Balances</i>	9,120	2,237	11,357
<i>Fund Cash Balances, January 1</i>	<u>17,147</u>	<u>327,605</u>	<u>344,752</u>
Fund Cash Balances, December 31			
Restricted	0	329,842	329,842
Unassigned (Deficit)	<u>26,267</u>	<u>0</u>	<u>26,267</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$26,267</u></u>	<u><u>\$329,842</u></u>	<u><u>\$356,109</u></u>

See accompanying notes to the basic financial statements

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O. O. McIntyre Park District
Gallia County
Notes to the Financial Statements
For the Year Ended December 31, 2018

Note 1 – Reporting Entity

The O.O. McIntyre Park District, Gallia County, 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 Gallia 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 afforest, develop, improve and protect and promote the use of these assets conducive to the general welfare.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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- a) Park District's Capital Projects Fund – This fund receives grants and earnings on investments. Funds are used to finance capital improvements and repairs for the District.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The District recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

O. O. McIntyre Park District
Gallia County
Notes to the Financial Statements
For the Year Ended December 31, 2018

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.

Budgetary Process

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

- 1. 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.
- 2. 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.
- 3. Encumbrances*** The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 2018 budgetary activity appears in Note 3.

Deposit and Investments

As the Ohio Revised Code permits, the Gallia 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

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O. O. McIntyre Park District
Gallia County
Notes to the Financial Statements
For the Year Ended December 31, 2018

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3. ***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.
4. ***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.
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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	\$470,229	\$470,229	\$0
Capital Projects	2,237	2,237	0
Total	\$472,466	\$472,466	\$0

O. O. McIntyre Park District
Gallia County
Notes to the Financial Statements
For the Year Ended December 31, 2018

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$467,750	\$461,109	\$6,641
Capital Projects	0	0	0
Total	\$467,750	\$461,109	\$6,641

Note 4 – Property Taxes

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 homestead and rollback deductions. The financial statements include homestead and rollback 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.

Public utilities are also taxed on personal and real property located within the District.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

Note 5 – Risk Management

The District is exposed to various risk of loss related to torts, theft or damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The Park District is covered under Gallia County’s Insurance Policy with County Risk Sharing Authority (CORSA), a jointly governed organization, for liability, property, and crime insurance. The CORSA program has a \$2,500.00 deductible. Health and life insurance are also available to District employees through Gallia County.

Note 6 – Contingent Liabilities

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

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

District’s employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement healthcare and survivor and disability benefits.

O. O. McIntyre Park District
Gallia County
Notes to the Financial Statements
For the Year Ended December 31, 2018

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 14 percent of their gross salaries and the District contributed an amount equaling 10 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2018.

Note 8 – Postemployment Benefits

OPERS offer cost-sharing, multiple-employer defined benefit post-employment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0 percent during calendar year 2018.

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OHIO AUDITOR OF STATE KEITH FABER



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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

O. O. McIntyre Park District
Gallia County
18 Locust Street, Room 1262
Gallipolis, Ohio 45631

To the Board of Park 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 O. O. McIntyre Park District, Gallia County, Ohio (the Park District), as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements and have issued our report thereon dated March 2, 2021, wherein we noted the Park District followed financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code § 117-2-03(D) permit. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the Park District.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Park 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 opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Park 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 Park 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. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings to be a material weakness. We consider finding 2019-002 to be a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the Park 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 an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying Schedule of Findings as item 2019-001.

Park District's Response to Findings

The Park District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings. We did not subject the Park District's responses to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 Park District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Park District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

March 2, 2021

O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2019 AND 2018

FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

FINDING NUMBER 2019-001

Finding for Recovery/Noncompliance

Ohio Admin. Code § 117-2-01(D)(4) requires, in part, that entities plan for adequate segregation of duties or compensating controls. During the Period, January 1, 2018 through December 31, 2018, the control structure for the O.O. McIntyre Park District (Park District) lacked proper segregation of duties. Asa (Alan) Rucker was the Park District's Park Manager and responsible for the sale of trees removed from the Park District during the Period. Mr. Rucker transported trees removed from the Park District to the lumber yard, received and retained payment, and no actual controls or oversight were in place over these funds.

Mr. Rucker received checks totaling \$25,959 from S & J Lumber for the sale of trees between April and August 2018. However, the payments were not deposited into the Park District's bank account. According to Mr. Rucker, the payments from the sale of trees were converted to cash, put into a bank bag, and maintained at the Park District. The cash was to be used to purchase items and repair equipment for the Park District, but only \$7,100 was confirmed as being used in this manner. Therefore, Mr. Rucker was responsible for the misappropriation of \$18,859 from the Park District during the Period.

On January 7, 2021, Mr. Rucker plead guilty to one count of theft in office, a felony of the third degree, in violation of Ohio Rev. Code (ORC) § 2921.41, in Gallia County Common Pleas Court, Case No. 20CR000179. On January 25, 2021, Judge Evans sentenced Mr. Rucker to 180 days in jail, which was suspended, and placed him on five years community control. Mr. Rucker was ordered to pay \$21,421 in restitution, which included special audit costs.

In accordance with the foregoing facts and pursuant to Ohio Revised Code § 117.28, a finding for recovery for public property converted or misappropriated is hereby issued against Asa (Alan) Rucker in the amount of \$21,421, with \$18,859 in favor of the Park District's general fund and \$2,562 in favor of the Auditor of State's Office.

Official's Response:

The Common Pleas Court sentencing and findings on Mr. Rucker – Probation for 60 months, and restitution of \$24,059.37 (\$5,200.37 already paid, and \$18,859.00 to the Clerk of Courts for processing to O. O. McIntyre Park District.) He also has to pay \$2,562.50 to the Clerk of Courts for processing to the State of Ohio.

FINDING NUMBER 2019-002

Material Weakness

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; 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 as discussed in AU-C Section 210 paragraphs .A14 & .A16.

The following errors were noted in the financial statements that required audit reclassification:

O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2019 AND 2018
(Continued)

FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

FINDING NUMBER 2019-002 (Continued)

Material Weakness (Continued)

In 2018:

- General Fund Manufactured Home Tax receipts of \$3,902 were incorrectly posted as Miscellaneous receipts.
- General Fund Homestead and Rollback Intergovernmental receipts of \$33,724 were incorrectly posted as Miscellaneous receipts.
- General Fund Ohio Department of Natural Resources Walking Trail Grant Intergovernmental receipts in the amount of \$14,413 were incorrectly posted as Miscellaneous receipts.
- General Fund Charges for Services receipts of \$19,041 were incorrectly posted as Miscellaneous receipts.
- General Fund Interest receipts of \$273 were incorrectly posted as Miscellaneous receipts.
- Capital Project Fund royalties Miscellaneous receipts of \$164 were incorrectly posted as Interest receipts.

In addition, in 2018, the following errors were noted in Note 3 to the financial statements:

- Budgeted Receipts in the General Fund were understated \$9,120.
- Budgeted Receipts in the Capital Project Fund were understated \$902.
- Appropriation Authority in the General Fund was overstated \$10,533.

In 2019:

- General Fund Manufactured Home Tax receipts of \$3,812 were incorrectly posted as Miscellaneous receipts.
- General Fund Homestead and Rollback Intergovernmental receipts of \$33,619 were incorrectly posted as Miscellaneous receipts.
- General Fund Charges for Services receipts of \$24,437 were incorrectly posted as Miscellaneous receipts.
- General Fund Interest receipts of \$534 were incorrectly posted as Miscellaneous receipts.
- Capital Project Fund Ohio Department of Natural Resources Bike Trail Grant Intergovernmental receipts of \$122,500 were incorrectly posted as Interest receipts.
- Capital Project Fund Contract Services disbursements of \$121,097 were incorrectly posted as Other disbursements.
- Capital Project Fund Supplies disbursements of \$1,403 were incorrectly posted as Other disbursements.

In addition, in 2019, the following errors were noted in Note 3 to the financial statements:

- Budgeted Receipts in the General Fund were understated \$57,176.
- Budgeted Receipts in the Capital Project Fund were understated \$2,143.
- Appropriation Authority in the General Fund was overstated \$13,711.
- Budgetary Expenditures in the Capital Projects Fund were overstated \$2,125.

The audited financial statements reflect the above reclassifications and adjustments.

The Director and Administrative Assistant should review the monthly financial reports for correct posting to ensure the year end financial statements are complete and accurate. The Director and Administrative Assistant should also review the Notes to the Financial Statements for accuracy.

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2019 AND 2018
(Continued)**

<p>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</p>

FINDING NUMBER 2019-002 (Continued)

Material Weakness (Continued)

Official's Response:

The Executive Director and Administrative Assistant have reviewed this finding and have been advised to follow the practices as suggested in said finding for the future financial statement.

0.0. McIntyre Park District



GALLIA COUNTY COURTHOUSE
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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS DECEMBER 31, 2019 AND 2018

Finding Number	Finding Summary	Status	Additional Information
2017-001	Questionable credit card purchases	Fully Corrected	
2017-002	Ohio Rev. Code § 121.22(A) – Failure to include all official actions in the minute record.	Fully Corrected	
2017-003	Ohio Rev. Code § 5705.38(A)- Appropriation measure not signed or approved in the minutes to indicate approval.	Fully Corrected	
2017-004	Ohio Rev. Code § 5705.40 – Supplemental appropriations were not approved by the Board	Fully Corrected	
2017-005	Ohio Rev. Code § 5705.41(B) – Expenditures exceeded Board approved appropriations	Fully Corrected	
2017-006	Ohio Admin. Code § 117-2-01(D)(3)(4)(5) – Inadequate segregation of duties and lack of approvals by Board.	Fully Corrected	
2017-007	Material weakness for financial statement adjustments.	Not Corrected	See Officials Response to Finding Number 2019-002 in the accompanying Schedule of Findings.

OHIO AUDITOR OF STATE KEITH FABER



O.O. MCINTYRE PARK DISTRICT

GALLIA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 3/16/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov