



OHIO AUDITOR OF STATE
KEITH FABER



ANDERSON TOWNSHIP PARK DISTRICT
HAMILTON COUNTY

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65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

INDEPENDENT AUDITOR'S REPORT

Anderson Township Park District
Hamilton County
8249 Clough Pike
Cincinnati, Ohio 45244

To the Board of Commissioners:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Anderson Township Park District, Hamilton County, Ohio (the District), which comprises the cash balances, receipts and disbursements for each governmental fund type as of and for the year ended December 31, 2023 and 2022, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental combined total as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

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* section of our report, the accompanying financial statements 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, 2023 and 2022, or the changes in financial position thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 2 of the financial statements, the financial statements are prepared by the District on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2025, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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
January 31, 2025

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Anderson Township Park District*Hamilton County**Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)**All Governmental Fund Types**For the Year Ended December 31, 2023*

	General	Debt Service	Combined Total
Cash Receipts			
Property and Other Local Taxes	\$2,703,446	\$68,218	\$2,771,664
Charges for Services	853,237	0	853,237
Fines, Licenses and Permits	187,992	0	187,992
Intergovernmental	109,700	0	109,700
Earnings on Investments	2,067	0	2,067
Miscellaneous	90,009	0	90,009
<i>Total Cash Receipts</i>	<u>3,946,451</u>	<u>68,218</u>	<u>4,014,669</u>
Cash Disbursements			
Current:			
Conservation/Recreation	10,332,790	0	10,332,790
Capital Outlay	172,871	0	172,871
Debt Service:			
Principal Retirement	0	25,000	25,000
Interest and Fiscal Charges	0	43,218	43,218
<i>Total Cash Disbursements</i>	<u>10,505,661</u>	<u>68,218</u>	<u>10,573,879</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(6,559,210)</u>	<u>0</u>	<u>(6,559,210)</u>
Other Financing Receipts (Disbursements)			
Sale of Capital Assets	17,565	0	17,565
Sale of Bonds	6,300,001	0	6,300,001
<i>Total Other Financing Receipts (Disbursements)</i>	<u>6,317,566</u>	<u>0</u>	<u>6,317,566</u>
<i>Net Change in Fund Cash Balances</i>	<u>(241,644)</u>	<u>0</u>	<u>(241,644)</u>
<i>Fund Cash Balances, January 1</i>	<u>1,816,708</u>	<u>741</u>	<u>1,817,449</u>
<i>Fund Cash Balances, December 31</i>	<u>\$1,575,064</u>	<u>\$741</u>	<u>\$1,575,805</u>

See accompanying notes to the basic financial statements

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Anderson Township Park District
Hamilton County
Notes to the Basic Financial Statements
for the Year Ended December 31, 2023

Note 1 – Reporting Entity

The Anderson Township Park District (the Park District) was created under authority of Chapter 511.18 of the Ohio Revised Code. The Anderson Township Trustees appoint a five-member Board of Commissioners to govern the Park District. The Commissioners are authorized to acquire, develop, protect, maintain, and improve park lands and facilities.

The Park District is considered a related organization to Anderson Township, Ohio. This is based on the fact that the Board of Commissioners are appointed by the Anderson Township Trustees, but Anderson Township cannot impose its will on the Park District in any manner, nor does there exist any financial benefit or burden relationship between the Park District and Anderson Township.

The Park District consists of all funds, departments, boards and agencies that are not legally separate from the Park District. The Park District's services include park repairs and maintenance, park expansion and improvement, and community recreational activities.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

The Park 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 Park District are presented below:

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 Park District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Debt Service Fund - The Debt Service Fund accounts for and reports resources restricted for the payment of bond debt.

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 (C). 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).

Anderson Township Park District
Hamilton County
Notes to the Basic Financial Statements
for the Year Ended December 31, 2023

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 (C) permit.

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, department, and object level of control, and appropriations may not exceed estimated resources. The Board of Commissioners 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 Park 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 2023 budgetary activity appears in Note 3.

Deposits and Investments

The Park District's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Park District's cash and cash equivalents are considered to be cash on hand, demand deposits and savings accounts, and are valued at cost. The Park District does not have any investments.

Capital Assets

The Park 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 statement do not include a liability for unpaid leave.

Leases and SBITAs

The Park District is the lessor/lessee in various leases (as defined by GASB 87) related to equipment under noncancelable leases. Lease revenue/disbursements are recognized when they are received/paid.

The District has entered into a noncancelable Subscription-Based Information Technology Arrangement (SBITA) contract (as defined by GASB 96) for Rec Desk software. Subscription disbursements are recognized when they are paid.

Anderson Township Park District
Hamilton County
Notes to the Basic Financial Statements
for the Year Ended December 31, 2023

Fund Balance

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

Nonspendable The Park District classifies assets as nonspendable when legally or contractually required to maintain the amounts intact. Nonspendable fund balance represents unclaimed monies that are required to be held for five years before they may be utilized by the Park District.

Restricted Fund balance 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. Restricted fund balance represents those amounts restricted for debt service.

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

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned fund balance in the General Fund represents encumbrances outstanding at year end.

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

The Park 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. See Note 11.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2023 follows:

2023 Budgeted vs. Actual Receipts

Fund Type	Budgeted	Actual	Variance
	Receipts	Receipts	
General	\$10,258,009	\$10,264,017	\$6,008
Debt Service	68,218	68,218	0
Total	<u>\$10,326,227</u>	<u>\$10,332,235</u>	<u>\$6,008</u>

Anderson Township Park District
Hamilton County
Notes to the Basic Financial Statements
for the Year Ended December 31, 2023

2023 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation	Budgetary	Variance
	Authority	Expenditures	
General	\$10,733,403	\$10,644,510	\$88,893
Debt Service	68,218	68,218	0
Total	<u>\$10,801,621</u>	<u>\$10,712,728</u>	<u>\$88,893</u>

Note 4 – Deposits and Investments

To improve cash management, cash received by the Park District is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investment. A summary of the Park District's deposit and investment accounts are as follows:

	2023
Demand deposits	<u>\$1,575,805</u>

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Note 5 – 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 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.

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

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

Note 6 – Risk Management

Ohio Plan Risk Management

The Park District belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Anderson Township Park District
Hamilton County
Notes to the Basic Financial Statements
for the Year Ended December 31, 2023

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and has remain unchanged. OPRM had 773 members as of December 31, 2022.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2022 (the latest information available).

Assets	\$21,662,291
Liabilities	<u>(18,158,351)</u>
Members' Equity	<u>\$3,503,940</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Workers' Compensation

Workers' Compensation coverage is provided by the State of Ohio. The Park District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Note 7 – Defined Benefit Pension Plan

Plan Description – Ohio Public Employees Retirement System (OPERS)

Park District 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 health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Park District contributed an amount equaling 14 percent of participants' gross salaries. The Park District has paid all contributions required through December 31, 2023.

Note 8 – Post-employment Benefits

Plan Description – Ohio Public Employees Retirement System (OPERS)

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions

Anderson Township Park District
Hamilton County
Notes to the Basic Financial Statements
for the Year Ended December 31, 2023

OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Note 9 – Debt

Debt outstanding at December 31, 2023, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
2023 Park District Improvement Bond Anticipation Notes	\$6,275,000	3.92%

The Park District issued a Park Improvement Bond Anticipation Notes on September 28, 2023, in the amount of \$6,300,001. The bond anticipation notes bear interest at a rate of 3.92 percent over a period of ten years. The bond anticipation note was issued to pay the cost of acquiring the former Beech Acres Parenting Center property. The bond anticipation note was collateralized by the property and will be paid with property tax revenues.

Amortization

Amortization of the above debt, including interest, is scheduled as follows:

Year Ending December 31:	<u>Bond Anticipation Notes</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$140,000	\$245,980
2025	145,000	240,492
2026	155,000	234,808
2027	165,000	228,732
2028	170,000	222,264
2029-2033	<u>5,500,000</u>	<u>1,003,520</u>
	<u>\$6,275,000</u>	<u>\$2,175,796</u>

Note 10 – Contingent Liabilities

Litigation

The Park District is not party to any legal proceedings.

Note 11 – Fund Balances

Included in fund balance are amounts the Park District cannot spend, including the balance of unclaimed monies, which cannot be spent for five years. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Anderson Township Park District
Hamilton County
Notes to the Basic Financial Statements
for the Year Ended December 31, 2023

Fund Balances	General	Service	Debt Total
Nonspendable:			
Unclaimed Monies	\$3,818	\$0	\$3,818
Outstanding Encumbrances	138,849	0	138,849
Total	<u><u>\$142,667</u></u>	<u><u>\$0</u></u>	<u><u>\$142,667</u></u>

The fund balance of debt service fund is restricted.

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Anderson Township Park District

Hamilton County

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

All Governmental Fund Types

For the Year Ended December 31, 2022

	General	Debt Service	Combined Total
Cash Receipts			
Property and Other Local Taxes	\$2,680,063	\$72,795	\$2,752,858
Charges for Services	747,827	0	747,827
Fines, Licenses and Permits	207,458	0	207,458
Intergovernmental	97,408	0	97,408
Earnings on Investments	658	0	658
Miscellaneous	112,084	0	112,084
<i>Total Cash Receipts</i>	<u>3,845,498</u>	<u>72,795</u>	<u>3,918,293</u>
Cash Disbursements			
Current:			
Conservation/Recreation	3,749,985	0	3,749,985
Capital Outlay	328,065	0	328,065
Debt Service:			
Principal Retirement	0	70,029	70,029
Interest and Fiscal Charges	0	2,766	2,766
<i>Total Cash Disbursements</i>	<u>4,078,050</u>	<u>72,795</u>	<u>4,150,845</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(232,552)</u>	<u>0</u>	<u>(232,552)</u>
Other Financing Receipts (Disbursements)			
Sale of Capital Assets	<u>20,756</u>	<u>0</u>	<u>20,756</u>
<i>Total Other Financing Receipts (Disbursements)</i>	<u>20,756</u>	<u>0</u>	<u>20,756</u>
<i>Net Change in Fund Cash Balances</i>	<u>(211,796)</u>	<u>0</u>	<u>(211,796)</u>
<i>Fund Cash Balances, January 1</i>	<u>2,028,504</u>	<u>741</u>	<u>2,029,245</u>
<i>Fund Cash Balances, December 31</i>	<u>\$1,816,708</u>	<u>\$741</u>	<u>\$1,817,449</u>

See accompanying notes to the basic financial statements

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Anderson Township Park District
Hamilton County
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

Note 1 – Reporting Entity

The Anderson Township Park District (the Park District) was created under authority of Chapter 511.18 of the Ohio Revised Code. The Anderson Township Trustees appoint a five-member Board of Commissioners to govern the Park District. The Commissioners are authorized to acquire, develop, protect, maintain, and improve park lands and facilities.

The Park District is considered a related organization to Anderson Township, Ohio. This is based on the fact that the Board of Commissioners are appointed by the Anderson Township Trustees, but Anderson Township cannot impose its will on the Park District in any manner, nor does there exist any financial benefit or burden relationship between the Park District and Anderson Township.

The Park District consists of all funds, departments, boards and agencies that are not legally separate from the Park District. The Park District's services include park repairs and maintenance, park expansion and improvement, and community recreational activities.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

The Park 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 Park District are presented below:

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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 (C). 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).

Anderson Township Park District
Hamilton County
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

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 (C) permit.

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, department, and object level of control, and appropriations may not exceed estimated resources. The Board of Commissioners 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 Park 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 2022 budgetary activity appears in Note 3.

Deposits and Investments

The Park District's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Park District's cash and cash equivalents are considered to be cash on hand, demand deposits and savings accounts, and are valued at cost. The Park District does not have any investments.

Accumulated Leave

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

Leases

The Park District is the lessor/lessee in various leases (as defined by GASB 87) related to equipment under noncancelable leases. Lease revenue/disbursements are recognized when they are received/paid.

Fund Balance

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

Nonspendable The Park District classifies assets as nonspendable when legally or contractually required to maintain the amounts intact. Nonspendable fund balance represents unclaimed monies that are required to be held for five years before they may be utilized by the Park District.

Anderson Township Park District
Hamilton County
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

Restricted Fund balance 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. Restricted fund balance represents those amounts restricted for debt service.

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

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned fund balance in the General Fund represents encumbrances outstanding at year end.

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

The Park 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. See Note 11.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2022 follows:

2022 Budgeted vs. Actual Receipts

Fund Type	Budgeted	Actual	Variance
	Receipts	Receipts	
General	\$3,861,984	\$3,866,254	\$4,270
Debt Service	72,795	72,795	0
Total	<u>\$3,934,779</u>	<u>\$3,939,049</u>	<u>\$4,270</u>

2022 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Budgetary	Budgetary	Variance
	Appropriation	Expenditures	
General	\$4,174,483	\$4,078,050	\$96,433
Debt Service	72,795	72,795	0
Total	<u>\$4,247,278</u>	<u>\$4,150,845</u>	<u>\$96,433</u>

Note 4 – Deposits and Investments

To improve cash management, cash received by the Park District is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investment. A summary of the Park District's deposit and investment accounts are as follows:

Anderson Township Park District
Hamilton County
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

	<u>2022</u>
Demand deposits	<u><u>\$1,817,449</u></u>

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Note 5 – 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 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.

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

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

Note 6 – Risk Management

Ohio Plan Risk Management

The Park District belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

Effective November 1, 2010 (through October 31, 2017), the corridor is for losses paid is between 60% and 70% of casualty premiums earned in the first \$250,000. Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and remain unchanged effective November 1, 2021 and November 1, 2020. OPRM had 769 members as of December 31, 2021.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2021.

Anderson Township Park District
Hamilton County
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

Assets	\$21,777,439
Liabilities	<u>(15,037,383)</u>
Members' Equity	<u>\$6,740,056</u>

You can read the complete audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Workers' Compensation

Workers' Compensation coverage is provided by the State of Ohio. The Park District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Note 7 – Defined Benefit Pension Plan

Plan Description – Ohio Public Employees Retirement System (OPERS)

Park District 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 health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Park District contributed an amount equaling 14 percent of participants' gross salaries. The Park District has paid all contributions required through December 31, 2022.

Note 8 – Post-employment Benefits

Plan Description – Ohio Public Employees Retirement System (OPERS)

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes 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. 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 2022. The portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2022.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

Note 9 – Debt

The Park District issued a General Obligation Park Improvement Bond on April 1, 2019, in the amount of \$275,000. The bonds bear interest at a rate of 3.95 percent over a period of three years. The bond was issued to pay the cost of improving the parks by constructing an outdoor classroom and walkway and making other improvements at Johnson Hills Park. The bond was collateralized by the property and will be paid with property tax revenues. The bond was paid off during 2022.

Anderson Township Park District
Hamilton County
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

Note 10 – Contingent Liabilities

Litigation

The Park District is not party to any legal proceedings.

Note 11 – Fund Balances

Included in fund balance are amounts the Park District cannot spend, including the balance of unclaimed monies, which cannot be spent for five years. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Service	Debt	Total
<hr/>				
Nonspendable:				
Unclaimed Monies	<u>\$3,818</u>	<u>\$0</u>	<u>\$3,818</u>	

The fund balance of debt service fund is restricted.



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

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

Anderson Township Park District
Hamilton County
8249 Clough Pike
Cincinnati, Ohio 45244

To the Board of Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental fund type as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements of the Anderson Township Park District, Hamilton County, (the District) and have issued our report thereon dated January 31, 2025, wherein we noted the District followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. 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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Anderson Township Park District
Hamilton County
Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by Government Auditing Standards
Page 2

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio
January 31, 2025

OHIO AUDITOR OF STATE KEITH FABER



ANDERSON TOWNSHIP PARK DISTRICT

HAMILTON 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 2/13/2025

65 East State 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