



Dave Yost • Auditor of State



**NATIONAL TRAIL PARKS AND RECREATION DISTRICT  
CLARK COUNTY**

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# Dave Yost • Auditor of State

National Trail Parks and Recreation District  
Clark County  
1301 Mitchell Blvd.  
Springfield, Ohio 45503

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

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

**Dave Yost**  
Auditor of State

August 2, 2012

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

National Trail Parks and Recreation District  
Clark County  
1301 Mitchell Blvd.  
Springfield, Ohio 45503

To the Board of Trustees:

We have audited the accompanying financial statements of National Trail Parks and Recreation District, Clark County, (the District) as of and for the years ended December 31, 2011 and 2010. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the District has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the District's larger (i.e. major) funds separately. While the District does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Governments to reformat their statements. The District has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2011 and 2010 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2011 and 2010, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances as of December 31, 2011 and 2010 and the reserves for encumbrances as of December 31, 2010 of National Trail Parks and Recreation District, Clark County, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

As described in Note 1, during 2011 the National Trail Parks and Recreation District adopted Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 2, 2012, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

August 2, 2012



**NATIONAL TRAIL PARKS AND RECREATION DISTRICT  
CLARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Governmental Fund Type</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>				
Intergovernmental	\$1,625,000			\$1,625,000
Charges for Services	118,527			118,527
Investment Income	697		\$36,716	37,413
Gifts and Donations		\$63,563	280,600	344,163
Fees	112,375			112,375
Rental Income	32,975			32,975
Other Receipts	47,104		7,100	54,204
Total Cash Receipts	<u>1,936,678</u>	<u>63,563</u>	<u>324,416</u>	<u>2,324,657</u>
<b>Cash Disbursements:</b>				
<b>Current:</b>				
Salaries - Employees	1,259,159	6,558		1,265,717
Supplies and Materials	161,507	11,983	7,418	180,908
Contracts - Services	258,953	33,747	235,416	528,116
Miscellaneous Fees	16,085	762	9,197	26,044
Travel and Training	1,421			1,421
Public Employees Retirement	136,930	905		137,835
Capital Outlay		29,768	3,110	32,878
Total Cash Disbursements	<u>1,834,055</u>	<u>83,723</u>	<u>255,141</u>	<u>2,172,919</u>
Excess of Receipts Over/(Under) Disbursements	<u>102,623</u>	<u>(20,160)</u>	<u>69,275</u>	<u>151,738</u>
<b>Other Financing Receipts/(Disbursements):</b>				
Transfers Out	(200,000)			(200,000)
Total Other Financing Receipts/(Disbursements)	<u>(200,000)</u>			<u>(200,000)</u>
Net Change in Fund Cash Balances	<u>(97,377)</u>	<u>(20,160)</u>	<u>69,275</u>	<u>(48,262)</u>
Fund Cash Balances, January 1	<u>157,757</u>	<u>69,862</u>	<u>2,457,480</u>	<u>2,685,099</u>
Restricted		49,702	2,526,755	2,576,457
Assigned	26,822			26,822
Unassigned	<u>33,558</u>			<u>33,558</u>
Fund Cash Balances, December 31	<u>\$60,380</u>	<u>\$49,702</u>	<u>\$2,526,755</u>	<u>\$2,636,837</u>

*The notes to the financial statements are an integral part of this statement.*

**NATIONAL TRAIL PARKS AND RECREATION DISTRICT  
CLARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL PROPRIETARY AND FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Proprietary Fund Type</u>		<u>Totals Memorandum Only</u>
	<u>Enterprise</u>	<u>Agency</u>	
<b>Operating Cash Receipts:</b>			
Charges for Services	\$1,549,259		\$1,549,259
Donations			
Miscellaneous	11,699	\$348	12,047
Total Operating Cash Receipts	<u>1,560,958</u>	<u>348</u>	<u>1,561,306</u>
<b>Operating Cash Disbursements:</b>			
Salaries	960,733		960,733
County and State Fees	37,218		37,218
Public Employees Retirement	106,884		106,884
Contracts - services	328,279	3,216	331,495
Supplies and Materials	342,176		342,176
Travel and Training	199		199
Capital Outlay			
Total Operating Cash Disbursements	<u>1,775,489</u>	<u>3,216</u>	<u>1,778,705</u>
Excess of Operating Receipts Over (Under) Operating Disbursements	(214,531)	(2,868)	(217,399)
<b>Other Financing Receipts:</b>			
Transfers In	200,000		200,000
Total Other Financing Receipts	<u>200,000</u>		<u>200,000</u>
Excess of Cash Receipts and Other Financing Receipts Over (Under) Cash Disbursements	(14,531)	(2,868)	(17,399)
<b>Non-Operating Cash Receipts:</b>			
Interest	986		986
Total Non-Operating Cash Receipts	<u>986</u>		<u>986</u>
Net Receipts Over (Under) Disbursements	(13,545)	(2,868)	(16,413)
Fund Cash Balances, January 1	<u>113,029</u>	<u>2,868</u>	<u>115,897</u>
Fund Cash Balances, December 31	<u>\$99,484</u>	<u>\$0</u>	<u>\$99,484</u>
Reserves for Encumbrances, December 31	<u>\$17,570</u>	<u>\$0</u>	<u>\$17,570</u>

*The notes to the financial statements are an integral part of this statement.*

**NATIONAL TRAIL PARKS AND RECREATION DISTRICT  
CLARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Governmental Fund Type</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>				
Intergovernmental	\$1,532,500		\$497,050	\$2,029,550
Charges for Services	106,941			106,941
Investment Income	870		46,692	47,562
Gifts and Donations	1,000	\$61,986	102,610	165,596
Fees	117,600			117,600
Rental Income	47,289			47,289
Other Receipts	41,745	49,280		91,025
Total Cash Receipts	<u>1,847,945</u>	<u>111,266</u>	<u>646,352</u>	<u>2,605,563</u>
<b>Cash Disbursements:</b>				
<b>Current:</b>				
Salaries - Employees	1,281,122	4,897		1,286,019
Supplies and Materials	161,159	21,136		182,295
Contracts - Services	266,079	31,556	73,596	371,231
Miscellaneous Fees	27,326	20,003		47,329
Travel and Training	792			792
Public Employees Retirement	139,203	671	2,522	142,396
Capital Outlay			815,076	815,076
Total Cash Disbursements	<u>1,875,681</u>	<u>78,263</u>	<u>891,194</u>	<u>2,845,138</u>
Total Receipts Over/(Under) Disbursements	<u>(27,736)</u>	<u>33,003</u>	<u>(244,842)</u>	<u>(239,575)</u>
<b>Other Financing Receipts/(Disbursements):</b>				
Transfers Out	(39,625)			(39,625)
Reimbursements	14,203	7,186	(20,203)	1,186
Total Other Financing Receipts/(Disbursements)	<u>(25,422)</u>	<u>7,186</u>	<u>(20,203)</u>	<u>(38,439)</u>
Excess (Deficiency) of Cash Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	<u>(53,158)</u>	<u>40,189</u>	<u>(265,045)</u>	<u>(278,014)</u>
Fund Cash Balances, January 1	<u>210,915</u>	<u>29,673</u>	<u>2,722,525</u>	<u>2,963,113</u>
Fund Cash Balances, December 31	<u>\$157,757</u>	<u>\$69,862</u>	<u>\$2,457,480</u>	<u>\$2,685,099</u>
Reserves for Encumbrances, December 31	<u>\$31,921</u>	<u>\$134</u>	<u>\$374,005</u>	<u>\$406,060</u>

*The notes to the financial statements are an integral part of this statement.*

**NATIONAL TRAIL PARKS AND RECREATION DISTRICT  
CLARK COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL PROPRIETARY AND FIDUCIARY FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Proprietary Fund Type</u>		<b>Totals Memorandum Only</b>
	<u>Enterprise</u>	<u>Agency</u>	
<b>Operating Cash Receipts:</b>			
Charges for Services	\$1,812,184		\$1,812,184
Donations		\$497,421	497,421
Miscellaneous	9,564		9,564
Total Operating Cash Receipts	<u>1,821,748</u>	<u>497,421</u>	<u>2,319,169</u>
<b>Operating Cash Disbursements:</b>			
Salaries	1,064,845		1,064,845
County and State Fees	34,789		34,789
Public Employees Retirement	118,859		118,859
Contracts - services	354,427	6,825	361,252
Supplies and Materials	374,834		374,834
Travel and Training	328		328
Capital Outlay		489,340	489,340
Total Operating Cash Disbursements	<u>1,948,082</u>	<u>496,165</u>	<u>2,444,247</u>
Excess of Operating Receipts Over (Under) Operating Disbursements	(126,334)	1,256	(125,078)
<b>Other Financing Receipts:</b>			
Transfers In	39,625		39,625
Total Other Financing Receipts	<u>39,625</u>		<u>39,625</u>
Excess of Cash Receipts and Other Financing Receipts Over (Under) Cash Disbursements	(86,709)	1,256	(85,453)
<b>Non-Operating Cash Receipts:</b>			
Interest	3,379		3,379
Total Non-Operating Cash Receipts	<u>3,379</u>		<u>3,379</u>
Net Receipts Over (Under) Disbursements	(83,330)	1,256	(82,074)
Fund Cash Balances, January 1	<u>196,359</u>	<u>1,612</u>	<u>197,971</u>
Fund Cash Balances, December 31	<u>\$113,029</u>	<u>\$2,868</u>	<u>\$115,897</u>
Reserves for Encumbrances, December 31	<u>\$51,865</u>	<u>\$473</u>	<u>\$52,338</u>

*The notes to the financial statements are an integral part of this statement.*

**NATIONAL TRAIL PARKS AND RECREATION DISTRICT  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011 AND 2010**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the National Trail Parks and Recreation District, Clark County, (the District) as a body corporate and politic. The District is directed by a seven-member Board of Trustees: four are appointed by the City of Springfield, two by the Clark County Board of County Commissioners, and the seventh member to be selected by the first six. The District equips, operates and maintains parks, playgrounds, swimming pools, recreation centers, bikeways, golf courses, tennis facilities, and other related activities and facilities within the County owned or managed by the Board of County Commissioners of Clark County, Ohio and the City of Springfield, Ohio.

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

**B. Basis of Accounting**

These financial statements follow the accounting basis the Auditor of State prescribes or permits. 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. 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 Auditor of State prescribes or permits.

**C. Cash and Investments**

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

**D. Fund Accounting**

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District classifies its funds into the following types:

**1. General Fund**

The General Fund reports all financial resources except those required to be accounted for in another fund.

**2. Special Revenue Funds**

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The District had the following significant Special Revenue Funds:

**Dog Park Fund** – This fund receives money from gifts and donations for the purpose of construction and maintenance of a dog park.

**NATIONAL TRAIL PARKS AND RECREATION DISTRICT  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011 AND 2010  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Sponsorship Fund** – This fund receives gifts and donations to purchase equipment and supplies for parks, sports, and other activities.

**Fireworks Trust Fund** – This fund receives money from gifts and donations for the payment of fireworks displays.

**Tournament Incentive Fund** – This fund provides up-front money for tournament expenses that is repaid by the event organizers.

**Contractor Retainer Fund** – This fund holds a percentage of progress payments on construction contracts to ensure completion of projects in accordance with the contracts. Amounts retained are disbursed to the contractor upon satisfactory completion of the project.

**3. Capital Projects Funds**

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The District had the following significant Capital Projects Fund:

**Capital Fund** – This fund receives money from gifts and donations, interest and intergovernmental revenues to be used for various park and facility improvements.

**4. Enterprise Funds**

These funds account for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through user charges. The District has the following significant Enterprise Funds:

**Golf Fund** – This fund accounts for charges for services to provide two golf courses for the general public.

**Aquatic Center Fund** – This fund accounts for charges for services to provide an aquatic center for the general public.

**5. Agency Funds**

These funds account for proceeds held by the District on behalf of individuals, private organizations, and other governments. The District has the following significant Agency Fund:

**Springfield Arts Council / Veteran's Park Fund** – This fund accounts for contributions for renovations at Veteran's Park. The District does not own Veteran's Park; however, they are managing a renovation at the park.

**E. Budgetary Process**

The Ohio Revised Code requires that each fund (except certain agency funds) be budgeted annually.

**NATIONAL TRAIL PARKS AND RECREATION DISTRICT  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011 AND 2010  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, and object level of control, and appropriations may not exceed estimated resources. Appropriation authority includes current year appropriations plus encumbrances carried over from the prior year (if any). The Board must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. 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 also 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 carried over, and need not be re-appropriated.

A summary of 2011 and 2010 budgetary activity appears in Note 2.

**F. Fund Balance**

For December 31, 2011, fund balance may be 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:

**1. Non-spendable**

The District would classify assets as non-spendable 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**

Board of Trustees can commit amounts via formal action (resolution). The District must adhere to these commitments unless the Board of Trustees 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.

**NATIONAL TRAIL PARKS AND RECREATION DISTRICT  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011 AND 2010  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 Board members 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.

**G. Property, Plant and Equipment**

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

**H. 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.

**2. BUDGETARY ACTIVITY**

Budgetary activity for the years ending 2011 and 2010 follows:

<b>2011 Budgeted vs. Actual Receipts</b>			
<b>Fund Type</b>	<b>Budgeted Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
General	\$1,946,187	\$1,936,678	(\$9,509)
Special Revenue	56,272	63,563	7,291
Capital Projects	322,590	324,416	1,826
Enterprise	1,767,240	1,761,944	(5,296)
Total	<u>\$4,092,289</u>	<u>\$4,086,601</u>	<u>(\$5,688)</u>



**NATIONAL TRAIL PARKS AND RECREATION DISTRICT  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011 AND 2010  
(Continued)**

**2. BUDGETARY ACTIVITY (Continued)**

**2011 Budgeted vs. Actual Budgetary Basis Expenditures**

<b>Fund Type</b>	<b>Appropriation Authority</b>	<b>Budgetary Expenditures</b>	<b>Variance</b>
General	\$2,083,215	\$2,060,877	\$ 22,338
Special Revenue	116,942	86,928	30,014
Capital Projects	2,373,755	415,416	1,958,339
Enterprise	1,836,347	1,793,059	43,288
Total	<u>\$6,410,259</u>	<u>\$4,356,280</u>	<u>\$2,053,979</u>

**2010 Budgeted vs. Actual Receipts**

<b>Fund Type</b>	<b>Budgeted Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
General	\$1,856,635	\$1,862,148	\$ 5,513
Special Revenue	109,177	118,452	9,275
Capital Projects	543,566	646,352	102,786
Enterprise	1,865,900	1,864,752	(1,148)
Total	<u>\$4,375,278</u>	<u>\$4,491,704</u>	<u>\$116,426</u>

**2010 Budgeted vs. Actual Budgetary Basis Expenditures**

<b>Fund Type</b>	<b>Appropriation Authority</b>	<b>Budgetary Expenditures</b>	<b>Variance</b>
General	\$2,006,087	\$1,947,227	\$ 58,860
Special Revenue	118,349	78,397	39,952
Capital Projects	2,403,166	1,285,402	1,117,764
Enterprise	2,046,685	1,999,947	46,738
Total	<u>\$6,574,287</u>	<u>\$5,310,973</u>	<u>\$1,263,314</u>

**3. RETIREMENT SYSTEM**

The 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.

The Ohio Revised Code also prescribes contribution rates. For 2011, OPERS members contributed 10.0% of their gross salaries, and the District contributed an amount equal to 14.0% of participants' gross salaries. The District has paid all contributions required through December 31, 2011.

**4. RISK MANAGEMENT**

**Commercial Insurance**

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions.

**NATIONAL TRAIL PARKS AND RECREATION DISTRICT  
CLARK COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2011 AND 2010  
(Continued)**

**5. SUBSEQUENT EVENTS**

On November 8, 2011 the voters of Clark County passed a new .6 mills tax levy that will begin collections during 2012. The purpose of the levy is to help provide green space maintenance, and is not to be used on revenue generating facilities such as the golf course or aquatic center. Original estimates made in the summer of 2011 have the levy generating approximately \$1.39 million with Clark County Park District (CCPD) receiving \$390,000 and the National Trail Parks and Recreation District receiving \$1,000,000. Currently, the National Trail Parks and Recreation District (NTPRD) is expecting \$850,000 in 2012 collections. The Levy proceeds are going to be sent directly to Clark County Park District. Through a contract agreement between CCPD and NTPRD, CCPD then will distribute the NTPRD share.



# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

National Trail Parks and Recreation District  
Clark County  
1301 Mitchell Blvd.  
Springfield, Ohio 45503

To the Board of Trustees:

We have audited the financial statements of the National Trail Parks and Recreation District, Clark County, (the District) as of and for the years ended December 31, 2011 and 2010, and have issued our report thereon dated August 2, 2012 wherein we noted that the District followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America and adopted provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

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 more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

### **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, providing an opinion 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*.

We did note certain matter not requiring inclusion in this report that we reported to the District's management in a separate letter dated August 2, 2012.

We intend this report solely for the information and use of management, Board of Trustees, and others within the District. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

August 2, 2012



# Dave Yost • Auditor of State

**NATIONAL TRAIL PARKS AND RECREATION DISTRICT**

**CLARK 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 20, 2012**