



**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2019-2018**



**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY  
DECEMBER 31, 2019 AND 2018**

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## INDEPENDENT AUDITOR'S REPORT

Fairfield County Park District  
Fairfield County  
407 E Main Street  
Lancaster, Ohio 43130

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 Fairfield County Park District, Fairfield County, Ohio (the 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 Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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

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

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

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

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

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

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

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 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 Fairfield County Park District, Fairfield County as of December 31, 2019 and 2018, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

***Emphasis of Matter***

As discussed in Note 14 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Commission. 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 July 31, 2020, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive style with a large, stylized 'K' and 'F'.

Keith Faber  
Auditor of State

Columbus, Ohio

July 31, 2020

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**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD 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	Special Revenue	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>				
Property Taxes	\$ 1,266,694	\$ -	\$ -	\$ 1,266,694
Charges for Services	\$ 6,300	\$ 22,499	\$ -	\$ 28,799
Recreation Fees, Permits and Fines	\$ 310	\$ -	\$ -	\$ 310
Intergovernmental	\$ 187,708	\$ -	\$ 107,012	\$ 294,720
Earnings on Investments	\$ 9,132	\$ -	\$ -	\$ 9,132
Gifts and Donations	\$ 16,380	\$ 3,607	\$ -	\$ 19,987
Rent	\$ 22,525	\$ 4,375	\$ -	\$ 26,900
Miscellaneous	\$ 13,925	\$ 350	\$ -	\$ 14,275
<i>Total Cash Receipts</i>	<u>\$ 1,522,974</u>	<u>\$ 30,831</u>	<u>\$ 107,012</u>	<u>\$ 1,660,817</u>
<b>Cash Disbursements</b>				
Current:				
Conservation/Recreation:				
Salaries	\$ 355,686	\$ -	\$ -	\$ 355,686
Fringe Benefits	\$ 154,754	\$ -	\$ -	\$ 154,754
Materials and Supplies	\$ 35,140	\$ 6,476	\$ 107,012	\$ 148,628
Contractual Services	\$ 289,139	\$ 16,479	\$ 49,433	\$ 355,051
Other	\$ 340	\$ -	\$ -	\$ 340
Capital Outlay	\$ 150,924	\$ 3,620	\$ 229,366	\$ 383,910
<i>Total Cash Disbursements</i>	<u>\$ 985,983</u>	<u>\$ 26,575</u>	<u>\$ 385,811</u>	<u>\$ 1,398,369</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>\$ 536,991</u>	<u>\$ 4,256</u>	<u>\$ (278,799)</u>	<u>\$ 262,448</u>
<b>Other Financing Receipts (Disbursements)</b>				
Sale of Capital Assets	\$ 4,625	\$ -	\$ -	\$ 4,625
Transfers In	\$ -	\$ -	\$ 321,049	\$ 321,049
Transfers Out	\$ (321,049)	\$ -	\$ -	\$ (321,049)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>\$ (316,424)</u>	<u>\$ -</u>	<u>\$ 321,049</u>	<u>\$ 4,625</u>
<i>Net Change in Fund Cash Balances</i>	\$ 220,567	\$ 4,256	\$ 42,250	\$ 267,073
<i>Fund Cash Balances, January 1</i>	<u>\$ 1,485,870</u>	<u>\$ 57,033</u>	<u>\$ 114,654</u>	<u>\$ 1,657,557</u>
<b>Fund Cash Balances, December 31</b>				
Restricted	\$ -	\$ 61,289	\$ -	\$ 61,289
Committed	\$ -	\$ -	\$ 156,904	\$ 156,904
Assigned	\$ 137,768	\$ -	\$ -	\$ 137,768
Unassigned (Deficit)	\$ 1,568,669	\$ -	\$ -	\$ 1,568,669
<i>Fund Cash Balances, December 31</i>	<u>\$ 1,706,437</u>	<u>\$ 61,289</u>	<u>\$ 156,904</u>	<u>\$ 1,924,630</u>

See accompanying notes to the basic financial statements

**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY**

**Statement of Receipts, Disbursements  
and Changes in Fund Balances (Regulatory Cash Basis)  
Enterprise Fund  
For the Year Ended December 31, 2019**

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<b>Operating Cash Receipts</b>	
Charges for Services	\$1,607
General Sales and Use Taxes	<u>109</u>
<i>Total Operating Cash Receipts</i>	<u>1,716</u>
<b>Operating Cash Disbursements</b>	
Contract Services	142
Materials and Supplies	<u>1,069</u>
<i>Total Operating Cash Disbursements</i>	1,211
<i>Operating Income</i>	<u>505</u>
<i>Net Change in Fund Cash Balances</i>	505
<i>Fund Cash Balances, January 1</i>	<u>10,457</u>
Unassigned	<u>10,962</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$10,962</u></u>

*See accompanying notes to the basic financial statements*

**FAIRFIELD COUNTY PARK DISTRICT**  
**FAIRFIELD COUNTY**

Notes to the Financial Statements  
For the Year Ended December 31, 2019

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**Note 1 – Reporting Entity**

Created in 1981 under the Chapter 1545 of the Ohio Revised Code, the Fairfield County Park District (the District), Fairfield 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 Fairfield County appoints a five-member Board of Commissioners to govern the District. The Board of Park Commissioners are authorized to acquire, develop, protect, maintain, and improve park lands and facilities. The Board of Park Commissioners may convert acquired land into forest reserves. The Board of Park Commissioners are also responsible for activities related to conserving natural resources, including streams, lakes, submerged lands, and swamp lands. The Board of Park Commissioners 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 Board of Park Commissioners exercises total control over the operation of the District, including budgeting, appropriation, and contracting. The Board of Park Commissioners appoints the Director/Secretary to operate the District. The Fairfield County Auditor is the Fiscal Officer for the District.

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

***Public Entity Risk Pool and Related Organizations***

The District participates in the County Risk Sharing Authority, Inc. (CORSA), a public entity risk pool and is associated with Fairfield County, a related organization. Note 6 and Note 12 to the financial statements provides additional information for these entities.

**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 and a statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for an enterprise fund type, which are organized on a fund type basis.

***Fund Accounting***

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are presented below:

***General Fund*** The General Fund accounts for and reports all financial resources not accounted for and reported 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.

***Special Revenue Funds*** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District had the following significant Special Revenue Funds:

***Wahkeena Nature Preserve Fund*** This fund receives monies from the Ohio Historical Connection for the purpose of managing the nature preserve.

**FAIRFIELD COUNTY PARK DISTRICT**  
**FAIRFIELD COUNTY**

Notes to the Financial Statements  
For the Year Ended December 31, 2019  
(Continued)

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**Note 2 – Summary of Significant Accounting Policies (continued)**

**Capital Project Funds** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The District had the following significant capital project funds:

**Metro Parks Fund** This fund receives monies from the State of Ohio to improve roads within the park district. In 2019 the amount received from Metro Parks was used solely for road and parking lot improvements to Mambourg Park.

**Construction Facility Fund** This fund is dedicated solely for construction projects within the park district. In 2019 these monies were used for the construction costs related to roads and parking lots at Mambourg Park.

**Enterprise Funds** These funds account for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges. The District had the following significant Enterprise Fund:

**Wahkeena Gift Shop Fund** This fund main source of revenues is from the sale of items in the museum gift shop.

**Basis of Accounting**

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

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

**Budgetary Process**

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

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

**FAIRFIELD COUNTY PARK DISTRICT**  
**FAIRFIELD COUNTY**

Notes to the Financial Statements  
For the Year Ended December 31, 2019  
(Continued)

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**Note 2 – Summary of Significant Accounting Policies (continued)**

***Budgetary Process (continued)***

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

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

A summary of 2019 budgetary activity appears in Note 3.

***Deposit and Investments***

As the Ohio Revised Code permits, the Fairfield 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:

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

***Restricted*** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

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

**FAIRFIELD COUNTY PARK DISTRICT**  
**FAIRFIELD COUNTY**

Notes to the Financial Statements  
For the Year Ended December 31, 2019  
(Continued)

**Note 2 – Summary of Significant Accounting Policies (continued)**

***Fund Balance (continued)***

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

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

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

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending 2019 follows:

Fund Type	2019 Budgeted vs. Actual Receipts		
	Budgeted Receipts	Actual Receipts	Variance
General	\$1,559,458	\$1,527,599	(\$31,859)
Special Revenue	28,150	30,831	2,681
Capital Projects	333,507	428,061	94,554
Enterprise	3,200	1,716	(1,484)
Total	\$1,924,315	\$1,988,207	\$63,892

**FAIRFIELD COUNTY PARK DISTRICT**  
**FAIRFIELD COUNTY**

Notes to the Financial Statements  
For the Year Ended December 31, 2019  
(Continued)

**Note 3 – Budgetary Activity (continued)**

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,782,000	\$1,444,800	\$337,200
Special Revenue	68,844	48,085	20,759
Capital Projects	477,494	476,966	528
Enterprise	5,591	2,199	3,392
Total	\$2,333,929	\$1,972,050	\$361,879

**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 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 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 risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; employee injuries, and natural disaster. By contracting with the County Risk Sharing Authority (CORSA) for liability, property, and crime insurance, the District has addressed these various types of risk.

The CORSA program has a \$5,000 deductible which is applicable to all insured coverages, including property, automobile, and a \$25,000 deductible for insured liability coverages, including general and professional liability, except for employee dishonesty/faithful performance which has no deductible. General liability insurance is maintained in the amount of \$1,000,000 for each occurrence, no annual aggregate. Other liability insurance includes \$1,000,000 for Ohio Stop Gap, which provides additional coverage beyond the State Workers' Compensation program, \$1,000,000 for errors and omissions liability wrongful acts, \$1,000,000 for automobile liability, \$1,000,000 for employee benefit liability, and \$10,000,000 in excess liability (except for crime coverage and cyber liability). Crime insurance for potential employee dishonesty is held in the amount of \$1,000,000.

**FAIRFIELD COUNTY PARK DISTRICT**  
**FAIRFIELD COUNTY**

Notes to the Financial Statements  
For the Year Ended December 31, 2019  
(Continued)

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**Note 5– Risk Management (continued)**

Privacy and Security liability coverage is \$5,000,000 per occurrence with an annual aggregate of \$5,000,000. Coverage does contain some sub limits, which are included in aggregate for \$500,000 privacy response expense, \$250,000 for claims expense, regulatory proceedings, penalties, and \$250,000 for PCI-DSS assessments

***Self-Insurance***

The County has a limited risk health insurance and prescription insurance program for employees. Premiums for the County plan are paid into the Self-Funded Health Insurance Internal Service Fund by other funds that are available to pay claims, claim reserves, and administrative costs. The County's Self-Funded Health Insurance Internal Service Fund makes monthly payments directly to the third-party administrator. Health is provided by United Health Care and drug is provided by OptumRX

**Note 6 – Public Entity Risk Pool**

The County Risk Sharing Authority, Inc. (CORSA) is a shared risk pool among sixty-six counties in Ohio. CORSA was formed as an Ohio non-profit corporation for the purpose of establishing the CORSA Insurance/Self Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA. The coverage includes comprehensive general liability, automobile liability, certain property insurance, and public officials' errors and omissions liability insurance.

Each member has one vote on all matters requiring a vote, which will be cast by a designated representative. An elected board of not more than nine trustees manages the affairs of the Corporation. Only County Commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees. CORSA has issued certificates of participation in order to provide adequate cash reserves. The certificates are secured by the members' obligations to make coverage payments to CORSA. The participating members have no responsibility for the payment of the certificates. The District does not have an equity interest in CORSA. The District's payment for insurance to CORSA in 2019 was \$7,072.

**Note 7 – Defined Benefit Pension Plans**

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

Plan Description – Nine District employees participate in the Ohio Public Employees Retirement System (OPERS). 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 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 District contributed an amount equaling 14 percent of participants' gross

**FAIRFIELD COUNTY PARK DISTRICT**  
**FAIRFIELD COUNTY**

Notes to the Financial Statements  
For the Year Ended December 31, 2019  
(Continued)

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**Note 7 – Defined Benefit Pension Plans (continued)**

***Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)***

salaries. For 2019, the District's contractually required contribution was \$49,846 for the traditional plan. For 2019, 93% has been contributed with the balance contributed in January 2020.

**Note 8 – Postemployment Benefits**

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, 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 was 0 percent during calendar year 2019.

**Note 9 – Other Employer Benefits**

The District also provides dental, vision, and Employee Assistance Program (EAP) for all eligible employees. Dental is provided by Delta Dental vision is provided by Vision Service Plan, and EAP is provided by United Behavioral Health.

The District provides life insurance and accidental death and dismemberment insurance to most employees through the Prudential Insurance Company.

**FAIRFIELD COUNTY PARK DISTRICT**  
**FAIRFIELD COUNTY**

Notes to the Financial Statements  
For the Year Ended December 31, 2019  
(Continued)

**Note 10 – Fund Balance**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the District is bound to observe constraints imposed upon the use of resources in the governmental funds. The constraints placed on fund balance for the general fund and all other special revenue and capital project funds for fiscal year ending December 31, 2019 are presented below:

Fund Balances	General	Special Revenue Funds	Capital Project Funds	Total
<i>Restricted for:</i>	\$	\$	\$	\$
Wahkeena Nature Preserve		52,075		52,075
Stebelton Park at Rock Mill		9,214		9,214
<i>Total Restricted</i>		61,289		61,289
<i>Committed to:</i>				
Capital Improvements			156,904	156,904
<i>Total Committed</i>			156,904	156,904
<i>Assigned to:</i>				
Purchases on Order	137,768			137,768
<i>Unassigned</i>	1,568,669			1,568,669
<b>Total Fund Balances</b>	<b>\$ 1,706,437</b>	<b>\$ 61,289</b>	<b>\$ 156,904</b>	<b>\$ 1,924,630</b>

On January 11, 2019, the District Board of Park Commissioners approved a resolution to target a minimum unassigned fund balance in the General fund of \$199,703.00. The minimum fund balance is to protect against revenue shortfalls and/or unanticipated expenditures. This policy is established to provide financial stability, cash flow for operations, and the assurance that the District will be able to respond to emergencies with fiscal strength. It is the District's Board of Parks Commissioner's philosophy to support long-term financial strategies, where fiscal sustainability is its first priority, while also building funds for future growth. It is essential to maintain adequate levels of fund balances to serve as a financial buffer against current and future risks and to ensure tax rates. Fund balance levels are also crucial consideration in long-term financial planning.

**Note 11 – Other Commitments**

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At fiscal year ended December 31, 2019, the District's commitments for encumbrances in the governmental funds were as follows:

Fund	Encumbrances
General	\$ 137,768
Special Revenue	21,510
Capital Projects	91,155
Enterprise Fund	988
<b>Total</b>	<b>\$ 251,421</b>

**FAIRFIELD COUNTY PARK DISTRICT**  
**FAIRFIELD COUNTY**

Notes to the Financial Statements  
For the Year Ended December 31, 2019  
(Continued)

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**Note 12 – Related Organization**

**Fairfield County**

The District is a related organization of Fairfield County. The County has no ability to impose its will on the District, nor is a burden/benefit relationship in existence. The District is its own budgeting and taxing authority. The County Auditor serves as the fiscal agent for the District; therefore, the District's financial activity is reflected in a County Custodial fund.

**Note 13 – Contingent Liabilities**

The District is undergoing a special audit conducted by the Auditor of State's Public Assurance Integrity Team Division. Although management cannot presently determine the outcome of this special audit, management and legal counsel believes that the resolution of this matter will not materially adversely affect the District's financial condition.

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor.

**Note 14 – Subsequent Events**

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 ensuing emergency measures will impact subsequent periods of the District. In addition, the impact on the District's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD 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	Special Revenue	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>				
Property Taxes	\$ 1,216,749	\$ -	\$ -	\$ 1,216,749
Charges for Services	500	21,250	-	21,750
Recreation Fees, Permits and Fines	322	-	-	322
Intergovernmental	185,394	-	5,023	190,417
Earnings on Investments	5,026	-	-	5,026
Gifts and Donations	19,341	5,232	-	24,573
Rent	17,250	3,950	-	21,200
Miscellaneous	9,699	913	-	10,612
<i>Total Cash Receipts</i>	<u>1,454,281</u>	<u>31,345</u>	<u>5,023</u>	<u>1,490,649</u>
<b>Cash Disbursements</b>				
Current:				
Conservation/Recreation:				
Salaries	323,502	-	-	323,502
Fringe Benefits	130,304	-	-	130,304
Materials and Supplies	35,278	9,574	5,023	49,875
Contractual Services	246,461	11,343	-	257,804
Capital Outlay	153,994	29,709	28,435	212,138
<i>Total Cash Disbursements</i>	<u>889,539</u>	<u>50,626</u>	<u>33,458</u>	<u>973,623</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>581,015</u>	<u>(19,281)</u>	<u>(28,435)</u>	<u>533,299</u>
<b>Other Financing Receipts (Disbursements)</b>				
Sale of Capital Assets	5,393	-	-	5,393
Transfers In	-	-	57,586	57,586
Transfers Out	(57,586)	-	-	(57,586)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(52,193)</u>	<u>-</u>	<u>57,586</u>	<u>5,393</u>
<i>Net Change in Fund Cash Balances</i>	512,549	(19,281)	29,151	522,419
<i>Fund Cash Balances, January 1</i>	<u>973,321</u>	<u>76,314</u>	<u>85,503</u>	<u>1,135,138</u>
<b>Fund Cash Balances, December 31</b>				
Restricted	-	57,033	-	57,033
Committed	12,431	-	114,654	127,085
Assigned	152,427	-	-	152,427
Unassigned (Deficit)	1,321,012	-	-	1,321,012
<i>Fund Cash Balances, December 31</i>	<u>\$ 1,485,870</u>	<u>\$ 57,033</u>	<u>\$ 114,654</u>	<u>\$ 1,657,557</u>

**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY**

**Statement of Receipts, Disbursements  
and Changes in Fund Balances (Regulatory Cash Basis)  
Enterprise Fund  
For the Year Ended December 31, 2018**

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<b>Operating Cash Receipts</b>	
Charges for Services	\$2,651
General Sales and Use Taxes	<u>179</u>
<i>Total Operating Cash Receipts</i>	<u>2,830</u>
<b>Operating Cash Disbursements</b>	
Contract Services	100
Materials and Supplies	<u>2,123</u>
<i>Total Operating Cash Disbursements</i>	2,223
<i>Operating Income</i>	<u>607</u>
<i>Net Change in Fund Cash Balances</i>	607
<i>Fund Cash Balances, January 1</i>	<u>9,850</u>
Unassigned	<u>10,457</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$10,457</u></u>

*See accompanying notes to the basic financial statements*

**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY**

**Notes to the Financial Statements  
For the Year Ended December 31, 2018**

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**Note 1 – Reporting Entity**

Created in 1981 under the Chapter 1545 of the Ohio Revised Code, the Fairfield County Park District (the District), Fairfield 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 Fairfield County appoints a five-member Board of Commissioners to govern the District. The Board of Park Commissioners are authorized to acquire, develop, protect, maintain, and improve park lands and facilities. The Board of Park Commissioners may convert acquired land into forest reserves. The Board of Park Commissioners are also responsible for activities related to conserving natural resources, including streams, lakes, submerged lands, and swamp lands. The Board of Park Commissioners 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 Board of Park Commissioners exercises total control over the operation of the District, including budgeting, appropriation, and contracting. The Board of Park Commissioners appoints the Director/Secretary to operate the District. The Fairfield County Auditor is the Fiscal Officer for the District.

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

***Public Entity Risk Pool and Related Organizations***

The District participates in the County Risk Sharing Authority, Inc. (CORSA), a public entity risk pool and is associated with Fairfield County, a related organization. Note 6 and Note 12 to the financial statements provides additional information for these entities.

**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 and a statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for an enterprise fund type, which are organized on a fund type basis.

***Fund Accounting***

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are presented below:

***General Fund*** The General Fund accounts for and reports all financial resources not accounted for and reported 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.

***Special Revenue Funds*** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District had the following significant Special Revenue Fund:

**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY**

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

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**Note 2 – Summary of Significant Accounting Policies (continued)**

***Fund Accounting (continued)***

***Wahkeena Nature Preserve Fund*** This fund receives monies from the Ohio Historical Connection for the purpose of managing the nature preserve.

***Capital Project Funds*** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The District had the following significant capital project fund:

***Rock Mill Restoration Fund*** This fund receives state grants and donations for the purpose of restoring the grist mill.

***Enterprise Funds*** These funds account for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges. The District had the following significant Enterprise Fund:

***Wahkeena Gift Shop Fund*** This fund main source of revenues is from the sale of items in the museum gift shop.

***Basis of Accounting***

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

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

***Budgetary Process***

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

***Appropriations*** Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The District Board of Park 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.

**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY**

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

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**Note 2 – Summary of Significant Accounting Policies (continued)**

***Budgetary Process (continued)***

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

A summary of 2018 budgetary activity appears in Note 3.

***Deposit and Investments***

As the Ohio Revised Code permits, the Fairfield 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:

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

***Restricted*** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

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

**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY**

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

**Note 2 – Summary of Significant Accounting Policies (continued)**

***Fund Balance (continued)***

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

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

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

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending 2018 follows:

2018 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,391,782	\$1,459,674	\$67,892
Special Revenue	30,350	31,345	995
Capital Projects	57,586	62,609	5,023
Enterprise	3,200	2,830	(370)
Total	\$1,482,918	\$1,556,458	\$73,540

2018 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,454,695	\$1,111,983	\$342,712
Special Revenue	80,598	53,996	26,602
Capital Projects	83,435	83,435	-
Enterprise	3,368	3,214	154
Total	\$1,622,096	\$1,252,628	\$369,468

**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY**

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

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**Note 4 – Property Taxes**

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board of Commissioners 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 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 risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; employee injuries, and natural disaster. By contracting with the County Risk Sharing Authority (CORSA) for liability, property, and crime insurance, the District has addressed these various types of risk.

The CORSA program has a \$5,000 deductible which is applicable to all insured coverages, including property, automobile, and a \$25,000 deductible for insured liability coverages, including general and professional liability, except for employee dishonesty/faithful performance which has no deductible. General liability insurance is maintained in the amount of \$1,000,000 for each occurrence, no annual aggregate. Other liability insurance includes \$1,000,000 for Ohio Stop Gap, which provides additional coverage beyond the State Workers' Compensation program, \$1,000,000 for errors and omissions liability wrongful acts, \$1,000,000 for automobile liability, \$1,000,000 for employee benefit liability, \$250,000 for uninsured/under insured motorist liability, and \$10,000,000 in excess liability (except for crime coverage and cyber liability). Crime insurance for potential employee dishonesty is held in the amount of \$1,000,000.

Privacy and Security liability coverage is \$5,000,000 per occurrence with an annual aggregate of \$5,000,000. Coverage does contain some sub limits, which are included in aggregate for \$500,000 privacy response expense, \$250,000 for claims expense, regulatory proceedings, penalties, and \$250,000 for PCI-DSS assessments.

***Self-Insurance***

The County has a limited risk health insurance and prescription insurance program for employees. Premiums for the County plan are paid into the Self-Funded Health Insurance Internal Service Fund by other funds that are available to pay claims, claim reserves, and administrative costs. The County's Self-Funded Health Insurance Internal Service Fund makes monthly payments directly to the third-party administrator. Health is provided by United Health Care and drug is provided by OptumRX.

**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY**

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

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**Note 6 – Public Entity Risk Pool**

The County Risk Sharing Authority, Inc. (CORSA) is a shared risk pool among sixty-six counties in Ohio. CORSA was formed as an Ohio non-profit corporation for the purpose of establishing the CORSA Insurance/Self Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA. The coverage includes comprehensive general liability, automobile liability, certain property insurance, and public officials' errors and omissions liability insurance.

Each member has one vote on all matters requiring a vote, which will be cast by a designated representative. An elected board of not more than nine trustees manages the affairs of the Corporation. Only County Commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees. CORSA has issued certificates of participation in order to provide adequate cash reserves. The certificates are secured by the members' obligations to make coverage payments to CORSA. The participating members have no responsibility for the payment of the certificates. The District does not have an equity interest in CORSA. The District's payment for insurance to CORSA in 2018 was \$6,453.

**Note 7 - Defined Benefit Pension Plan**

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

Plan Description – District employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. While members (e.g. District employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the tradition plan were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three-member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY**

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

**Note 7 - Defined Benefit Pension Plan (continued)**

**Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)**

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY**

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

**Note 7 - Defined Benefit Pension Plan (continued)**

**Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)**

	State and Local
<b>FY 2018 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee	10.0 %
 <b>FY 2018 Actual Contribution Rates</b>	
Employer (July 1, 2017 - December 31, 2017):	
Pension	13.0 %
Post-employment Health Care Benefits ****	1.0
Total Employer	14.0 %
 Employer (Effective January 1, 2018):	
Pension	14.0 %
Post-employment Health Care Benefits ****	0.0
Total Employer	14.0 %
 Employee	 10.0 %

\*\*\*\* This employer health care rate is for the traditional plan.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. For 2018, the District's contractually required contribution was \$45,789 for the traditional plan. For 2019, 94% has been contributed with the balance contributed in January 2019.

**Note 8 – Postemployment Benefits**

**Ohio Public Employees Retirement System**

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. While members (e.g. District employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of the traditional

**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY**

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

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**Note 8 – Postemployment Benefits (continued)**

***Ohio Public Employees Retirement System (continued)***

pension plan.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension plan must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR referenced below for additional information.

The Ohio Revised Code permits but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2018, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2018, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

**Note 9 – Other Employer Benefits**

The District also provides dental, vision, and Employee Assistance Program (EAP) for all eligible employees. Dental is provided by Delta Dental vision is provided by Vision Service Plan, and EAP is provided by United Behavioral Health.

The District provides life insurance and accidental death and dismemberment insurance to most employees through the Guardian Insurance Company.

**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY**

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

**Note 10 - Fund Balances**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the District is bound to observe constraints imposed upon the use of resources in the governmental funds. The constraints placed on fund balance for the general fund and all other special revenue and capital project funds for fiscal year ending December 31, 2018 are presented below:

<b>Fund Balances</b>	<b>General</b>	<b>Special Revenue Funds</b>	<b>Capital Project Funds</b>	<b>Total</b>
<b><i>Restricted for:</i></b>				
Wahkeena Nautre Preserve	\$ -	\$ 3,370	\$ -	\$ 3,370
Stebleton Rockmill Park		53,663		53,663
<b><i>Total Restricted</i></b>	<b>-</b>	<b>57,033</b>	<b>-</b>	<b>57,033</b>
<b><i>Committed to:</i></b>				
Smeck Farm Trail	12,431	-	-	12,431
Capital Improvements	-	-	114,654	114,654
<b><i>Total Committed</i></b>	<b>12,431</b>	<b>-</b>	<b>114,654</b>	<b>127,085</b>
<b><i>Assigned to</i></b>				
Purchases on Order	152,427	-	-	152,427
<b><i>Unassigned</i></b>	<b>1,321,012</b>	<b>-</b>	<b>-</b>	<b>1,321,012</b>
<b><i>Total Fund Balances</i></b>	<b>\$1,485,870</b>	<b>\$ 57,033</b>	<b>\$ 114,654</b>	<b>\$ 1,657,557</b>

On January 8, 2018, the District Board of Park Commissioners approved a resolution to target a minimum unassigned fund balance in the General fund of \$183,705. The minimum fund balance is to protect against revenue shortfalls and/or unanticipated expenditures. This policy is established to provide financial stability, cash flow for operations, and the assurance that the District will be able to respond to emergencies with fiscal strength. It is the District's Board of Parks Commissioner's philosophy to support long-term financial strategies, where fiscal sustainability is its first priority, while also building funds for future growth. It is essential to maintain adequate levels of fund balances to serve as a financial buffer against current and future risks and to ensure tax rates. Fund balance levels are also crucial consideration in long-term financial planning.

**FAIRFIELD COUNTY PARK DISTRICT  
FAIRFIELD COUNTY**

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

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**Note 11 - Other Commitments**

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At fiscal year ended December 31, 2018, the District's commitments for encumbrances in the governmental funds were as follows:

Fund	Encumbrances
General	\$164,858
Special Revenue	3,370
Capital Projects	49,977
Enterprise	991
Total	\$219,196

**Note 12 – Related Organization**

**Fairfield County**

The District is a related organization of Fairfield County. The County has no ability to impose its will on the District, nor is a burden/benefit relationship in existence. The District is its own budgeting and taxing authority. The County Auditor serves as the fiscal agent for the District; therefore, the District's financial activity is reflected in a County Agency fund.

**Note 13 – Contingent Liabilities**

The District is undergoing a special audit conducted by the Auditor of State's Public Assurance Integrity Team Division. Although management cannot presently determine the outcome of this special audit, management and legal counsel believes that the resolution of this matter will not materially adversely affect the District's financial condition.

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor.

**Note 14 – Subsequent Events**

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 ensuing emergency measures will impact subsequent periods of the District. In addition, the impact on the District's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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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**

Fairfield County Park District  
Fairfield County  
407 E Main Street  
Lancaster, Ohio 43130

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 Fairfield County Park District, Fairfield County, (the 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 July 31, 2020 wherein we noted the District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit as well as the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the District.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

***Compliance and Other Matters***

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber  
Auditor of State

Columbus, Ohio

July 31, 2020

# OHIO AUDITOR OF STATE KEITH FABER



**FAIRFIELD COUNTY PARK DISTRICT**

**FAIRFIELD 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 9/1/2020**

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](http://www.ohioauditor.gov)