



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

Hubbard Township Park District
Trumbull County
P.O. Box 177
Hubbard, Ohio 44425

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Hubbard Township Park District, Trumbull County, (the District) for the years ended December 31, 2022 and 2021.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the District's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the District's financial statements, transactions or balances for the years ended December 31, 2022 and 2021.

The District's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

Current Year Observations

1. We noted that General Fund appropriations of \$434,503 exceeded estimated resources by approximately \$169,911 for the year ended December 31, 2022. Ohio Rev. Code Section 5705.39 limits appropriations to estimated resources. Because appropriations authorize spending, appropriating more than estimated resources potentially authorizes deficit spending. The District should reduce appropriations to the amount of estimated resources.
2. Ohio Admin. Code § 117-2-02(C)(1) required all local public offices to integrate the budgetary accounts, at the legal level of control or lower, into the financial accounting system in order to effectively maintain the accounting and budgetary records. We noted the District did not integrate budgetary receipt amounts into their accounting software. As a result, there was an increased risk of the District utilizing inaccurate budgetary information when making decisions.
3. Ohio Rev. Code § 149.43(E)(2) requires all public offices take certain actions with regard to their public record policy. Public offices must create and display in a conspicuous place in all locations where the public office has branch offices a poster describing the public records policy. The public office may also post its public records policy on its internet website. The District did not create a poster describing the public records policy and therefore did not have it posted conspicuously in all branch offices. Failure to create a poster could result in the public being uninformed about public records policy and procedures.

4. We noted the District did not file their 2021 annual report timely. Ohio Rev. Code § 117.38 provides that each public office, other than a state agency, shall file a financial report each year. The report shall be certified by the proper officer or board and filed with the auditor of state within sixty days after the close of the fiscal year.

The District's 2021 financial report was due March 1, 2022, however, was not filed until March 7, 2022. Failure to file by the required date could result in penalties of \$25 per day up to a maximum of \$750.

5. We noted that the cash reconciliation balance for total accounts of \$260,321 did not agree with the December 31, 2022 fund cash balance in the HINKLE Report of \$232,238. This resulted in a variance of \$28,083. The District should ensure that the cash balances in the HINKLE Report reconcile to their QuickBooks accounting system. Failure to analyze variances can result in inaccurate financial reporting.
6. We noted certain reconciling items listed that should not have been listed within the December 31, 2022 cash reconciliation. These items total \$11,537 and consist of repeat postings to same vendors and a transfer that was already posted through check payment to investment account. The District should only include true outstanding payments as reconciling items. Failure to properly account for reconciling items can lead to inaccurate cash reconciliations.

Current Status of Matters Reported in our Prior Engagement

7. The prior basic audit had Ohio Rev. Code § 149.43(E)(2) exception for failure to establish a public records policy. We determined that the District did establish a public records policy as required. All other matters reported in the prior engagement were repeat concerns described above in the "Current Year Observations" section. The prior engagement was a basic audit with similar testing procedures with no other matters requiring follow-up.



Keith Faber
Auditor of State
Columbus, Ohio

November 3, 2023

OHIO AUDITOR OF STATE KEITH FABER



HUBBARD TOWNSHIP PARK DISTRICT

TRUMBULL 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 11/21/2023

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This report is a matter of public record and is available online at
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