



**NORTH COAST REGIONAL COUNCIL OF PARK DISTRICTS
LORAIN COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2001, 2000 & 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**NORTH COAST REGIONAL COUNCIL OF PARK DISTRICTS
LORAIN COUNTY**

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REPORT OF INDEPENDENT ACCOUNTANTS

North Coast Regional Council of Park Districts
Lorain County
12882 Diagonal Road
Lagrange, Ohio 44050

We have audited the accompanying financial statements of the North Coast Regional Council of Park Districts, Lorain County, Ohio, (the Council) as of and for the years ended December 31, 2001, December 31, 2000, and December 31, 1999. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about 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 that our audits provide a reasonable basis for our opinion.

As described in Note 1, the Council prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the North Coast Regional Council of Park Districts as of December 31, 2001, December 31, 2000, and December 31, 1999, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 13, 2002 on our consideration of the Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

This report is intended solely for the information and use of management, Board of Representatives, and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

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Jim Petro
Auditor of State

September 13, 2002

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**NORTH COAST REGIONAL COUNCIL OF PARK DISTRICTS
LORAIN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2001**

	General Fund
Cash Receipts:	
Intergovernmental Revenue	\$11,945,838
Charges for Services	28,000
Interest Revenue	290,802
Miscellaneous	80
Total Cash Receipts	12,264,720
Cash Disbursements:	
Current:	
Contracts - Services	2,482,404
Other	3,307
Total Cash Disbursements	2,485,711
Total Receipts Over/(Under) Disbursements	9,779,009
Fund Cash Balances, January 1	2,301
Fund Cash Balances, December 31	\$9,781,310

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

**NORTH COAST REGIONAL COUNCIL OF PARK DISTRICTS
LORAIN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>General Fund</u>
Cash Receipts:	
Charges for Services	\$130,000
Interest Revenue	<u>28</u>
Total Cash Receipts	<u>130,028</u>
Cash Disbursements:	
Current:	
Contracts - Services	130,000
Other	<u>900</u>
Total Cash Disbursements	<u>130,900</u>
Total Receipts Over/(Under) Disbursements	<u>(872)</u>
Fund Cash Balances, January 1	<u>3,173</u>
Fund Cash Balances, December 31	<u><u>\$2,301</u></u>

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

NORTH COAST REGIONAL COUNCIL OF PARK DISTRICTS
LORAIN COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>General Fund</u>
Cash Receipts:	
Miscellaneous	<u>\$4,015</u>
Total Cash Receipts	<u>4,015</u>
Cash Disbursements:	
Current:	
Contracts - Services	<u>842</u>
Total Cash Disbursements	<u>842</u>
Total Receipts Over/(Under) Disbursements	<u>3,173</u>
Fund Cash Balances, January 1	<u>0</u>
Fund Cash Balances, December 31	<u><u>\$3,173</u></u>

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

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**NORTH COAST REGIONAL COUNCIL OF PARK DISTRICTS
LORAIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001, 2000, AND 1999**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

North Coast Regional Council of Park Districts, Lorain County, (the Council) is a body corporate and politic established on July 8, 1998 under Chapter 167 of the Ohio Revised Code to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Council is comprised of the Lorain County Metropolitan Park District, Erie Metroparks, Medina County Park District, and Sandusky County Park District. The Council's Board of Representatives consists of the appointed director and the chairman of the board of park commissioners of the member Park Districts. The Council designates sites within its jurisdiction to acquire, improve, restore, enhance, administer and/or preserve with funds received from the U.S. Army Corps of Engineers, the Ohio EPA and/or developers under the "In Lieu Fee Agreement" (ILFA) program.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash

As permitted by the Ohio Revised Code, the Lorain County Metropolitan Park District Treasurer holds the Council's cash as custodian for the Council. The Council's assets are held in cash and certificates of deposit. Certificates of deposit are valued at cost.

D. Fund Accounting

The Council uses fund accounting to segregate cash and investments that are restricted as to use. The only fund type the Council uses is the General Fund. The General Fund is the general operating fund. It is used to account for all financial resources.

E. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**NORTH COAST REGIONAL COUNCIL OF PARK DISTRICTS
LORAIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2001, 2000, AND 1999
CONTINUED**

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	<u>2001</u>	<u>2000</u>	<u>1999</u>
Demand deposits	\$ 113,959	\$2,301	\$3,173
Certificates of deposit	<u>9,667,351</u>	<u>-</u>	<u>-</u>
Total deposits	<u>\$9,781,310</u>	<u>\$2,301</u>	<u>\$3,173</u>

Deposits: Deposits are either insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

3. RISK MANAGEMENT

The Council has obtained general liability insurance from commercial carriers.



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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

North Coast Regional Council of Park Districts
Lorain County
12882 Diagonal Road
Lagrange, Ohio 44050

We have audited the financial statements of the North Coast Regional Council of Park Districts, Lorain County, Ohio, (the Council) as of and for the years ended December 31, 2001, December 31, 2000, December 31, 1999, and have issued our report thereon dated September 13, 2002. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Council in a separate letter dated September 13, 2002.

This report is intended for the information and use of management and the Board of Representatives, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

September 13, 2002



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OFFICE OF THE AUDITOR

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NORTH COAST REGIONAL COUNCIL OF PARK DISTRICTS

LORAIN 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
NOVEMBER 7, 2002**