



**MIAMI COUNTY PARK DISTRICT  
MIAMI COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**



**MIAMI COUNTY PARK DISTRICT  
MIAMI COUNTY  
DECEMBER 31, 2022 AND 2021**

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

Miami County Park District  
Miami County  
2645 East State Route 41  
Troy, Ohio 45373

To the Board of Commissioners:

### ***Report on the Audit of the Financial Statements***

#### ***Unmodified and Adverse Opinions***

We have audited the financial statements of the Miami County Park District, Miami County, Ohio (the District), which comprises the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements.

#### ***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District, as of December 31, 2022 and 2021, or the changes in financial position thereof for the years then ended.

#### ***Basis for Opinions***

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

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

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

***Emphasis of Matter***

As discussed in Note 12 to the 2022 financial statements and in Note 13 to the 2021 financial statements, the financial impact of COVID-19 and the continuing recovery measures may impact subsequent periods of the District. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2023, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio

November 15, 2023

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Miami County Park District  
Miami County  
Combined Statement of Receipts, Disbursements  
and Changes in Fund Balances (Regulatory Cash Basis)  
All Governmental Fund Types  
For the Year Ended December 31, 2022

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>				
Property Taxes	\$3,577,081			\$3,577,081
Local Government	38,883			38,883
Grants		\$242,172	\$362,041	604,213
Gifts & Donations	147,789			147,789
Investment Income	41,112			41,112
Fees/Fines	88,800			88,800
Sales	18,307			18,307
Other Receipts	82,332	34,675		117,007
<i>Total Cash Receipts</i>	<u>3,994,304</u>	<u>276,847</u>	<u>362,041</u>	<u>4,633,192</u>
<b>Cash Disbursements</b>				
Current:				
Conservation/Recreation:				
Salaries	1,818,092			1,818,092
Materials/Supplies	281,426			281,426
Equipment	897,841			897,841
Contracts-Repair	77,748			77,748
Contracts-Services	531,661			531,661
Grants	6,929			6,929
Rentals	60,756			60,756
Advertising & Printing	31,338			31,338
Travel & Expenses	12,153			12,153
Public Employees Retirement	265,131			265,131
Workers Compensation & DWR	28,480			28,480
Other Expenses	583,220	4,358		587,578
Capital Outlay		97,050	43,271	140,321
<i>Total Cash Disbursements</i>	<u>4,594,775</u>	<u>101,408</u>	<u>43,271</u>	<u>4,739,454</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(600,471)</u>	<u>175,439</u>	<u>318,770</u>	<u>(106,262)</u>
<b>Other Financing Receipts (Disbursements)</b>				
Refunds	10,291			10,291
Reimbursements	2,798			2,798
Transfers In		25,500	155,270	180,770
Transfers Out	(180,770)			(180,770)
Advances In	935,648	76,500		1,012,148
Advances Out	(76,500)	(245,977)	(689,671)	(1,012,148)
Other Financing Sources	10,931			10,931
<i>Total Other Financing Receipts (Disbursements)</i>	<u>702,398</u>	<u>(143,977)</u>	<u>(534,401)</u>	<u>24,020</u>
Net Change in Fund Cash Balances	101,927	31,462	(215,631)	(82,242)
Fund Cash Balances, January 1	1,961,524	576,921	216,201	2,754,646
Fund Cash Balances, December 31	<u>\$2,063,451</u>	<u>\$608,383</u>	<u>\$570</u>	<u>\$2,672,404</u>

See accompanying notes to the financial statements

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**Miami County Park District**  
*Miami County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 1 – Reporting Entity**

The Miami County Park District (the District), Miami 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 Miami County appoints a three-member Board of Commissioners to govern the District. The Commissioners are authorized to acquire, develop, protect, maintain, and improve park lands and facilities. The Commissioners may convert acquired land into forest reserves. The Commissioners are also responsible for activities related to conserving natural resources, including streams, lakes, submerged lands, and swamp lands. The Board 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 Troy Foundation is a separate entity that provides tax exemption status to donors for specific funds set up by private individuals to provide support to the District. All donated funds are distributed by a committee appointed by the Foundation, and of which the Executive Director of the District is an appointed member. The Troy Foundation was determined to be a separate and independent organization and its financial statements are not required to be included in this report. See additional information in Note 11.

The District is also a member of Ohio Plan Risk Management, Inc. (OPRM), a public entity risk pool. Note 6 provides additional information for this pool.

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

**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 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:

**U.S. Fish and Wildlife Fund** – This fund receives revenue from the U.S. Fish and Wildlife Service for habitat restoration.

**Honeycreek Preserve Trust Fund** – This fund receives donations and revenue specifically earmarked for use at Honeycreek Preserve.

**Lost Creek Reserve Trust Fund** – This fund receives donations and revenue specifically earmarked for use at Lost Creek Reserve.

**Miami County Park District**  
*Miami County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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

**Nature Works Grant Fund** – This fund receives revenue from the Ohio Department of Natural Resources for the construction of an observation tower, climbing wall, and zip line at the Lost Creek Reserve.

**Capital Project Fund:** This fund accounts for and reports 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:

**Clean Ohio Fund** – This fund receives revenue from the state of Ohio, and pays expenditures assigned to specific capital outlays for acquisitions of real property and/or improvements of real property.

***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 117-2-03(C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (*i.e., when an encumbrance is approved*).

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

***Budgetary Process***

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

**Appropriations:** Budgetary expenditures (*that is, disbursements and encumbrances*) may not exceed appropriations at the 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.

**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 re-appropriated.

A summary of 2022 budgetary activity appears in Note 3.

***Deposit and Investments***

As the Ohio Revised Code permits, the Miami 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.

**Miami County Park District**  
*Miami County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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

***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.

***Leases***

The District is the lessee in various leases related to equipment under noncancelable leases. Lease disbursements are recognized when they are paid.

***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:

***Non-spendable:*** The District classifies assets as non-spendable 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.

***Assigned:*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

***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.

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

**Miami County Park District**  
*Miami County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

**Note 3 – Budgetary Activity**

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

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$4,878,854	\$4,953,972	\$75,118
Special Revenue	459,152	378,847	(80,305)
Capital Projects	519,020	517,311	(1,709)
<b>Total</b>	<b>\$5,857,026</b>	<b>\$5,850,130</b>	<b>(\$6,896)</b>

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$5,747,554	\$5,055,564	\$691,990
Special Revenue	424,487	347,385	77,102
Capital Projects	732,943	732,942	1
<b>Total</b>	<b>\$6,904,984</b>	<b>\$6,135,891</b>	<b>\$769,093</b>

**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 – Interfund Balances**

**Advances**

The only outstanding advance as of December 31, 2022 consisted of \$76,500 advanced to the Nature Works Grant Fund for construction of the observation tower, climbing wall and zip line at Lost Creek Reserve.

**Miami County Park District**  
*Miami County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 6 – Risk Management**

***Workers' Compensation***

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

***Risk Pool Membership***

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

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

Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and has remained unchanged.

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

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

You can read the complete audited financial statements for OPRM at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).

**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees 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 post-retirement 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 salaries. The District has paid all contributions required through December 31, 2022.

**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 and combined plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2022.

**Miami County Park District**  
*Miami County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 9 – Contingent Liabilities**

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Note 10 – Fund Balances**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. On December 31, 2022 the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Capital Projects	Total
Outstanding Encumbrances	203,519	0	0	203,519
Total	\$203,519	\$0	\$0	\$203,519

The fund balance of special revenue funds is either restricted or committed. The fund balance of capital projects funds are restricted, committed, or assigned. These restricted, committed, and assigned amounts in the special revenue and capital projects funds would include the outstanding encumbrances, if any. In the general fund, outstanding encumbrances are considered assigned.

**Note 11 – The Troy Foundation, Inc.**

The Troy Foundation, Inc. (the Foundation) is a not-for-profit corporation that was created in 1924 and manages over 230 individual, family, corporate, and non-profit agency endowment funds; including two funds related to the Miami County Park District. The Foundation was formed with a common goal to make the local community a better place to live, work and play. Unaudited financial statements of the Foundation may be obtained by contacting Matt Hammaker, Finance Officer, at 216 W. Franklin Street, Troy, Ohio 45373, or by visiting the Foundation’s website at <https://thetrovfoundation.org>.

**Note 12 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June 2021, while the national state of emergency ended in May 2023. The financial impact of COVID-19 and the continuing recovery measures may impact subsequent periods of the District.



**Miami County Park District**  
**Miami County**  
**Combined Statement of Receipts, Disbursements**  
**and Changes in Fund Balances (Regulatory Cash Basis)**  
**All Governmental Fund Types**  
**For the Year Ended December 31, 2021**

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
<b>Cash Receipts</b>				
Property Taxes	\$3,569,444			\$3,569,444
Local Government Grants	36,156			36,156
Gifts & Donations	160,757		\$367,918	367,918
Investment Income	2,595			2,595
Fees/Fines	98,115			98,115
Sales	4,173			4,173
Other Receipts	85,721	\$34,675		120,396
<b>Total Cash Receipts</b>	<u>3,956,961</u>	<u>34,675</u>	<u>367,918</u>	<u>4,359,554</u>
<b>Cash Disbursements</b>				
Current:				
Conservation/Recreation:				
Salaries	1,780,603			1,780,603
Materials/Supplies	376,084	14,340		390,424
Equipment	1,252,337			1,252,337
Contracts-Repair	164,193			164,193
Contracts-Services	551,736	165,860		717,596
Grants	8,250			8,250
Rentals	44,904	58,559		103,463
Advertising & Printing	22,961			22,961
Travel & Expenses	9,459			9,459
Public Employees Retirement	259,792			259,792
Workers Compensation & DWR	26,624			26,624
Unemployment Compensation	1,817			1,817
Other Expenses	464,417	5,000		469,417
Capital Outlay			765,236	765,236
<b>Total Cash Disbursements</b>	<u>4,963,177</u>	<u>243,759</u>	<u>765,236</u>	<u>5,972,172</u>
Excess of Receipts (Under) Disbursements	<u>(1,006,216)</u>	<u>(209,084)</u>	<u>(397,318)</u>	<u>(1,612,618)</u>
<b>Other Financing Receipts (Disbursements)</b>				
Refunds	15,837			15,837
Reimbursements	299			299
Transfers In			53,456	53,456
Transfers Out	(53,456)			(53,456)
Advances In	502,781		524,119	1,026,900
Advances Out	(524,119)		(502,781)	(1,026,900)
<b>Total Other Financing Receipts (Disbursements)</b>	<u>(58,658)</u>	<u>0</u>	<u>74,794</u>	<u>16,136</u>
Net Change in Fund Cash Balances	(1,064,874)	(209,084)	(322,524)	(1,596,482)
Fund Cash Balances, January 1	<u>3,026,398</u>	<u>786,005</u>	<u>538,725</u>	<u>4,351,128</u>
Fund Cash Balances, December 31	<u>\$1,961,524</u>	<u>\$576,921</u>	<u>\$216,201</u>	<u>\$2,754,646</u>

See accompanying notes to the financial statements

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**Miami County Park District**  
*Miami County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 1 – Reporting Entity**

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The District is also a member of Ohio Plan Risk Management, Inc. (OPRM), a public entity risk pool. Note 6 provides additional information for this pool.

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

**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 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:

**U.S. Fish and Wildlife Fund** – This fund receives revenue from the U.S. Fish and Wildlife Service for habitat restoration.

**Honeycreek Preserve Trust Fund** – This fund receives donations and revenue specifically earmarked for use at Honeycreek Preserve.

**Lost Creek Reserve Trust Fund** – This fund receives donations and revenue specifically earmarked for use at Lost Creek Reserve.

**Miami County Park District**  
*Miami County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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

**Capital Project Fund:** This fund accounts for and reports 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:

**Clean Ohio Fund** – This fund receives revenue from the state of Ohio, and pays expenditures assigned to specific capital outlays for acquisitions of real property and/or improvements of real property.

***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 117-2-03(C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (*i.e., when an encumbrance is approved*).

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

***Budgetary Process***

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

**Appropriations:** Budgetary expenditures (*that is, disbursements and encumbrances*) may not exceed appropriations at the 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.

**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 re-appropriated.

A summary of 2021 budgetary activity appears in Note 3.

***Deposit and Investments***

As the Ohio Revised Code permits, the Miami 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.

**Miami County Park District**  
*Miami County*  
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*For the Year Ended December 31, 2021*

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

***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.

***Leases***

The District is the lessee in various leases related to equipment under noncancelable leases. Lease disbursements are recognized when they are paid.

***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:

***Non-spendable:*** The District classifies assets as non-spendable 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.

***Assigned:*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

***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.

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

**Miami County Park District**  
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**Note 3 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2021 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$5,142,801	\$4,475,878	(\$666,923)
Special Revenue	280,477	34,675	(245,802)
Capital Projects	946,688	945,493	(1,195)
<b>Total</b>	<b>\$6,369,966</b>	<b>\$5,456,046</b>	<b>(\$913,920)</b>

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$7,459,561	\$6,719,492	\$740,069
Special Revenue	493,143	245,659	247,484
Capital Projects	1,481,078	1,313,567	167,511
<b>Total</b>	<b>\$9,433,782</b>	<b>\$8,278,718</b>	<b>\$1,155,064</b>

**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 – Interfund Balances**

**Advances**

Funds were advanced from the general fund to the capital projects fund during 2016 for the Duke and Reaster property acquisitions. The amount outstanding at December 31, 2021 from this advance was \$155,270.

Funds were advanced from the general fund to a special revenue fund during 2020. Outstanding advances on December 31, 2021 consisted of \$245,977 to provide funds to pay for projects related to the Duke Park extension habitat restoration. The District anticipates, upon receiving full reimbursement from the Ohio Department of Natural Resources, returning the funds from the special revenue fund to the general fund in 2022.

**Miami County Park District**  
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**Note 5 – Interfund Balances (continued)**

Funds were advanced from the general fund to a special revenue fund during 2021. Outstanding advances at December 31, 2021 consisted of \$160,369 to provide funds to purchase a conservation easement, using a Clean Ohio 75% match.

Funds were advanced from the general fund to the capital projects fund during 2021. Outstanding advances on December 31, 2021 consisted of \$363,750 to provide funds for construction of a section of the Northern Miami County Recreation Trail.

**Note 6 – Risk Management**

***Workers' Compensation***

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

***Risk Pool Membership***

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

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

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

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

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

You can read the complete audited financial statements for OPRM at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).

**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees 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 post-retirement health care and survivor and disability benefits.

**Miami County Park District**  
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**Note 7 – Defined Benefit Pension Plans (continued)**

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 salaries. The District has paid all contributions required through December 31, 2021.

**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 and combined plan was 0 percent during calendar year 2021. The portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2021.

**Note 9 – Construction and Contractual Commitments**

At December 31, 2021, the District was in the process of constructing a community building on the Lost Creek Reserve property. Funds in the amount of \$1,810,259 were originally obligated from the General Fund to Bruns General Contracting for the project

**Note 10 – Contingent Liabilities**

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Note 11 – Fund Balances**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. On December 31, 2021 the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Capital Projects	Total
Outstanding Encumbrances	1,178,740	1,900	45,550	1,226,190
Total	<u>\$1,178,740</u>	<u>\$1,900</u>	<u>\$45,550</u>	<u>\$1,226,190</u>

The fund balance of special revenue funds is either restricted or committed. The fund balance of capital projects funds are restricted, committed, or assigned. These restricted, committed, and assigned amounts in the special revenue and capital projects funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.



**Miami County Park District**  
*Miami County*  
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**Note 12 – The Troy Foundation, Inc.**

The Troy Foundation, Inc. (the Foundation) is a not-for-profit corporation that was created in 1924 and manages over 230 individual, family, corporate, and non-profit agency endowment funds; including two funds related to the Miami County Park District. The Foundation was formed with a common goal to make the local community a better place to live, work and play. Unaudited financial statements of the Foundation may be obtained by contacting Matt Hammaker, Finance Officer, at 216 W. Franklin Street, Troy, Ohio 45373, or by visiting the Foundation's website at <https://thetroyfoundation.org>.

**Note 13 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021, while the national state of emergency ended in May 2023. The financial impact of COVID-19 and the continuing recovery measures may impact subsequent periods of the District.

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# OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215  
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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*

Miami County Park District  
Miami County  
2645 East State Route 41  
Troy, Ohio 45373

To the Board of Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental fund type as of and for the years ended December 31, 2022 and 2021 and the related notes to the financial statements of the Miami County Park District, Miami County, (the District) and have issued our report thereon dated November 15, 2023, wherein we noted the District followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit. We also noted the financial impact of COVID-19 and the continuing recovery measures may impact subsequent periods of the District.

### ***Report on Internal Control Over Financial Reporting***

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

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

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

***Report on Compliance and Other Matters***

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

***Purpose of This Report***

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



Keith Faber  
Auditor of State  
Columbus, Ohio

November 15, 2023

# OHIO AUDITOR OF STATE KEITH FABER



**MIAMI COUNTY PARK DISTRICT**

**MIAMI 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 11/30/2023**

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)