



**MIAMI COUNTY PARK DISTRICT
MIAMI COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

**MIAMI COUNTY PARK DISTRICT
MIAMI COUNTY
DECEMBER 31, 2020 AND 2019**

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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 Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements for each governmental fund type as of and for the year ended December 31, 2020 and for each governmental fund type as of and for the year ended December 31, 2019, and related notes of the Miami County Park District, Miami County, Ohio (the District).

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.

Efficient • Effective • Transparent

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, 2020 and 2019, 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 for each governmental fund type as of and for the year ended December 31, 2020 and for each governmental fund type as of and for the year ended December 31, 2019, and related notes of the District, 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 12 to the 2020 financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. 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 September 15, 2021, 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.



Keith Faber
Auditor of State
Columbus, Ohio

September 15, 2021

Miami County Park District
Miami County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2020

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property Taxes	\$3,468,696			\$3,468,696
Local Govt	32,002			32,002
Grants	3,245	\$4,868	\$39,037	47,150
Investment Income	25,745			25,745
Gifts & Donations	70,618			70,618
Fees	119,182			119,182
Fines	100			100
Sales	120			120
Intergovernmental	84,635			84,635
Other Receipts	4,603	35,305		39,908
<i>Total Cash Receipts</i>	<u>3,808,946</u>	<u>40,173</u>	<u>39,037</u>	<u>3,888,156</u>
Cash Disbursements				
Current:				
Conservation/Recreation:				
Salaries	1,664,510			1,664,510
Supplies	271,474	1,010		272,484
Equipment	339,190			339,190
Contracts-Repair	216,915			216,915
Contracts-Services	559,912	111,134		671,046
Grants	5,887			5,887
Rentals	38,762	75,479		114,241
Advertising & Printing	20,392			20,392
Travel & Expenses	7,565	7,271		14,836
Public Employees Retirement	242,703			242,703
Workers Compensation & DWR	25,587			25,587
Unemployment Compensation	5,246			5,246
Other Expenses	429,394			429,394
<i>Total Cash Disbursements</i>	<u>3,827,537</u>	<u>194,894</u>	<u>39,037</u>	<u>4,022,431</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(18,591)</u>	<u>(154,721)</u>	<u>39,037</u>	<u>(134,275)</u>
Other Financing Receipts (Disbursements)				
Refunds	649			649
Reimbursements	46,644			46,644
Advances In		245,977	118,000	363,977
Advances Out	(363,977)			(363,977)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(316,684)</u>	<u>245,977</u>	<u>118,000</u>	<u>47,293</u>
<i>Net Change in Fund Cash Balances</i>	<u>(335,275)</u>	<u>91,256</u>	<u>157,037</u>	<u>(86,982)</u>
<i>Fund Cash Balances, January 1</i>	<u>3,361,673</u>	<u>694,749</u>	<u>381,688</u>	<u>4,438,110</u>
<i>Fund Cash Balances, December 31</i>	<u>\$3,026,398</u>	<u>\$786,005</u>	<u>\$538,725</u>	<u>\$4,351,128</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, 2020

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 (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.

OEEF Grant Fund – This fund receives revenue for the purchase of materials and supplies, and for services provided, for the Pollinator Education Grant program.

Miami County Park District
Miami County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 2 – Summary of Significant Accounting Policies (continued)

Charleston Falls Trust Fund – This fund receives donations and revenue specifically earmarked for use at Charleston Falls Reserve.

Hobart Urban Nature Preserve Trust Fund – This fund receives donations and revenue specifically earmarked for use at Hobart Urban Nature Preserve.

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

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

Park Peace Officer Training Fund – This fund receives donations and revenue specifically earmarked for use in the training of law enforcement officers.

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

Miami County Park District
Miami County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 2 – Summary of Significant Accounting Policies (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 re-appropriated.

A summary of 2020 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.

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:

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.

Miami County Park District
Miami County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 2 – Summary of Significant Accounting Policies (continued)

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.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2020 follows:

2020 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$4,197,694	\$3,856,239	(\$341,455)
Special Revenue	286,150	286,150	0
Capital Projects	247,781	157,037	(90,744)
Total	\$4,731,625	\$4,299,426	(\$432,199)

2020 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$6,974,350	\$4,630,943	\$2,343,407
Special Revenue	450,853	204,876	245,977
Capital Projects	625,134	240,353	384,781
Total	\$8,050,337	\$5,076,172	\$2,974,165

Note 4 – Property

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.

Miami County Park District
Miami County
Notes to the Financial Statements
For the Year Ended December 31, 2020

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, 2020 from this advance was \$155,270.

Funds were advanced from the general fund to the capital projects fund during 2019 and 2020, but were not repaid to the general fund by the end of 2020. Outstanding advances on December 31, 2020 related to these advances was \$502,781 to provide funds to purchase property and pay for capital improvements related to the Stillwater Prairie connector project. The District anticipates, upon receiving full reimbursement from the Ohio Public Works Commission, returning the funds from the capital projects fund to the general fund in 2021.

Funds were also advanced from the general fund to a special revenue fund during 2020, but were not repaid by the end of 2020. Outstanding advances on December 31, 2020 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 2021.

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.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. Effective November 1, 2017, the OPRM retained 47% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty. The OPRM is also participated in a property primary excess of loss treaty. This treaty reimbursed the OPRM 30% for losses between \$200,000 and \$1,000,000. The reimbursement is based on the amount of loss between \$200,000 and \$1,000,000. Effective November 1, 2018, the OPRM the property retention remained unchanged, however, the Plan assumed 100% of the first \$250,000 casualty treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. Effective November 1, 2019, the OPRM's property retention increased from 30% to 33%, while the casualty treaty remains unchanged and still assumes 100% of the first \$250,000 casualty treaty. Effective November 1, 2020, the OPRM's property retention increased from 33% to 55%, while the casualty treaty remains unchanged and still assumes 100% of the first \$250,000 casualty treaty. OPRM had 771 members as of December 31, 2020.

Miami County Park District
Miami County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 6 – Risk Management (continued)

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2020.

Assets	\$ 18,826,974
Liabilities	<u>(13,530,267)</u>
Members' Equity	<u>\$ 5,296,707</u>

You can read the complete audited financial statements for OPRM at the Plan's website, 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, 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 and combined plan was 0 percent during calendar year 2020. The portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2020.

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 facilities effective cash planning and control. On December 31, 2020 the balances of these amounts were as follows:

Miami County Park District
Miami County
Notes to the Financial Statements
For the Year Ended December 31, 2020

Note 10 – Fund Balances (continued)

Fund Balances	General	Special Revenue	Capital Projects	Total
Outstanding Encumbrances	\$ 439,429	\$ 9,982	\$ 240,353	\$ 689,764
Total	\$439,429	\$9,982	\$240,353	\$689,764

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.

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 Melissa Kleptz, Executive Director 216 W. Franklin Street, Troy, Ohio 45373, or by visiting the Foundation’s website at <https://thetrovofoundation.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. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. 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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Miami County Park District
Miami County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2019

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Property Taxes	\$3,419,621			\$3,419,621
Local Govt	32,057			32,057
Grants	6,245	\$208,334	\$255,000	469,579
Investment Income	70,073			70,073
Gifts & Donations	125,992			125,992
Fees	106,428			106,428
Fines	50			50
Sales	3,453			3,453
Intergovernmental	94,695			94,695
Other Receipts	3,135	34,675		37,810
<i>Total Cash Receipts</i>	<u>3,861,749</u>	<u>243,009</u>	<u>255,000</u>	<u>4,359,758</u>
Cash Disbursements				
Current:				
Conservation/Recreation:				
Salaries	1,599,690			1,599,690
Supplies	287,020	13,374		300,394
Equipment	159,168			159,168
Contracts-Repair	343,236		3,093	346,329
Contracts-Services	586,296	29,835		616,131
Grants	9,899			9,899
Rentals	52,226			52,226
Advertising & Printing	10,107			10,107
Travel & Expenses	17,128	250		17,378
Public Employees Retirement	231,051			231,051
Workers Compensation & DWR	22,208			22,208
Unemployment Compensation	3,072			3,072
Other Expenses	755,642			755,642
Capital Outlay		33,510	255,000	288,510
<i>Total Cash Disbursements</i>	<u>4,076,743</u>	<u>76,969</u>	<u>258,093</u>	<u>4,411,805</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(214,994)</u>	<u>166,040</u>	<u>(3,093)</u>	<u>(52,047)</u>
Other Financing Receipts (Disbursements)				
Refunds	2,120			2,120
Reimbursements	5,310			5,310
Advances In			384,781	384,781
Advances Out	(384,781)			(384,781)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(377,351)</u>		<u>384,781</u>	<u>7,430</u>
<i>Net Change in Fund Cash Balances</i>	<u>(592,345)</u>	<u>166,040</u>	<u>381,688</u>	<u>(44,617)</u>
<i>Fund Cash Balances, January 1, 2019</i>	<u>3,954,018</u>	<u>528,709</u>		<u>4,482,727</u>
Fund Cash Balances, December 31				
Restricted		694,749	381,688	1,076,437
Committed	30,936			30,936
Assigned	2,443,902			2,443,902
Unassigned	886,835			886,835
<i>Fund Cash Balances, December 31</i>	<u>\$3,361,673</u>	<u>\$694,749</u>	<u>\$381,688</u>	<u>\$4,438,110</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, 2019

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.

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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

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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.

OEEF Grant Fund – This fund receives revenue for the purchase of materials and supplies, and for services provided, for the Pollinator Education Grant program.

Miami County Park District
Miami County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 2 – Summary of Significant Accounting Policies (continued)

Charleston Falls Trust Fund – This fund receives donations and revenue specifically earmarked for use at Charleston Falls Reserve.

Hobart Urban Nature Preserve Trust Fund – This fund receives donations and revenue specifically earmarked for use at Hobart Urban Nature Preserve.

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

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

Park Peace Officer Training Fund – This fund receives donations and revenue specifically earmarked for use in the training of law enforcement officers.

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

Miami County Park District
Miami County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 2 – Summary of Significant Accounting Policies (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 re-appropriated.

A summary of 2019 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.

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:

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. 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.

Miami County Park District
Miami County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 2 – Summary of Significant Accounting Policies (continued)

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 December 31, 2019 follows:

2019 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$4,142,716	\$3,869,179	(\$273,537)
Special Revenue	249,825	243,009	(6,816)
Capital Projects	769,562	639,781	(129,781)
Total	\$5,162,103	\$4,751,969	(\$410,134)

2019 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$5,526,750	\$4,609,104	\$917,646
Special Revenue	189,790	94,421	95,369
Capital Projects	769,562	258,093	511,469
Total	\$6,486,102	\$4,961,618	\$1,524,484

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.

Miami County Park District
Miami County
Notes to the Financial Statements
For the Year Ended December 31, 2019

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, 2019 from this advance was \$155,270.

Funds were advanced from the general fund to the capital projects fund during 2019, but were not repaid to the general fund by the end of 2019. Outstanding advances on December 31, 2019 related to this advance was \$384,781 to provide funds to purchase property and pay for capital improvements related to the Stillwater Prairie connector project. The District anticipates, upon receiving full reimbursement from the Ohio Public Works Commission, returning the funds from the capital projects fund to the general fund.

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.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. Effective November 1, 2017, the OPRM retained 47% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty. The OPRM is also participated in a property primary excess of loss treaty. This treaty reimbursed the OPRM 30% for losses between \$200,000 and \$1,000,000. The reimbursement is based on the amount of loss between \$200,000 and \$1,000,000. Effective November 1, 2018, the OPRM the property retention remained unchanged, however, the Plan assumed 100% of the first \$250,000 casualty treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. Effective November 1, 2019, the OPRM's property retention increased from 30% to 33%, while the casualty treaty remains unchanged and still assumes 100% of the first \$250,000 casualty treaty. OPRM had 776 members as of December 31, 2019.

The Plan's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at the December 31, 2019:

Assets	\$ 15,920,504
Liabilities	<u>(11,329,011)</u>
Member's Equity	\$ 4,591,493

You can read the complete audited financial statements for OPRM at the Plan's website: www.ohioplan.org.

Miami County Park District
Miami County
Notes to the Financial Statements
For the Year Ended December 31, 2019

Note 7 – Defined Benefit Pension Plans

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, 2019.

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 2019. The portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2019.

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 – 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 Melissa Kleptz, Executive Director, 216 W. Franklin Street, Troy, Ohio 45373, or by visiting the Foundation's website at <https://thetroyfoundation.org>.

OHIO AUDITOR OF STATE KEITH FABER



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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 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 for each governmental fund type as of and for the year ended December 31, 2020 and for each governmental fund type as of and for the year ended December 31, 2019, and related notes of the Miami County Park District, Miami County, (the District) and have issued our report thereon dated September 15, 2021, 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. We also noted the financial impact of COVID-19 and the continuing emergency measures may 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) as a basis for designing 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 financial statements. 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

September 15, 2021

MIAMI COUNTY PARK DISTRICT



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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

DECEMBER 31, 2020 AND 2019

Finding Number	Finding Summary	Status	Additional Information
2018-001	Material Weakness – Financial Statement Errors	Partially Corrected	Repeat of GASB 54 fund balance reclassification (not applicable to 2020) and reclassification of farm rental revenue for one year of the audit period. Matter included in management letter.
2018-002	Finding for Recovery – Repaid Under Audit	Fully Corrected	

Charleston Falls Preserve, Farrington Reserve, Ft. Blankenship Riverside Sanctuary, Garbry Big Woods Reserve & Sanctuary, Great Miami River Recreational Trail, Goode Prairie Reserve & Preserve, Greenville Falls State Scenic River Area, Honey Creek Preserve, Hobart Urban Nature Preserve, Lost Creek Reserve & Knoop Agricultural Heritage Center, Maple Ridge, Stillwater Prairie Reserve, Twin Arch Reserve, John A. Wannemacher Nature Reserve

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 10/12/2021

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