

***SUMMIT METRO PARKS***

***SUMMIT COUNTY***

Regular Audit

For the Years Ended December 31, 2023 and 2022







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Columbus, Ohio 43215  
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Board of Commissioners  
Summit Metro Parks  
975 Treaty Line Road  
Akron, Ohio 44313

We have reviewed the *Independent Auditor's Report* of the Summit Metro Parks, Summit County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2022 through December 31, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Summit Metro Parks is responsible for compliance with these laws and regulations.

Keith Faber  
Auditor of State  
Columbus, Ohio

**July 16, 2024**

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**Summit Metro Parks**  
**Summit County**  
*For the Years Ended December 31, 2023 and 2022*

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**Summit Metro Parks**  
**Summit County**  
*For the Years Ended December 31, 2023 and 2022*

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**INDEPENDENT AUDITOR'S REPORT**

Summit Metro Parks  
Summit County  
975 Treaty Line Road  
Akron, Ohio 44313

To the Board of Park Commissioners:

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

***Opinions***

We have audited the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Summit Metro Parks, Summit County, Ohio (the Park District), as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Park District, as of December 31, 2023 and 2022, and the respective changes in cash-basis financial position and the budgetary comparison for the General Fund for the years then ended in accordance with the cash-basis of accounting described in Note 2.

***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 Park 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.

***Emphasis of Matter - Accounting Basis***

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. 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 cash basis of accounting described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. 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 Park 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 *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 Park 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 Park 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 June 13, 2024, on our consideration of the Park 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 Park 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 Park District's internal control over financial reporting and compliance.

*Charles Harris Associates*

***Charles E. Harris & Associates, Inc.***  
June 13, 2024

**Summit Metro Parks**  
**Summit County**  
Statement of Net Position - Cash Basis  
December 31, 2023

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in pooled cash and cash equivalents	<u>\$ 14,542,624</u>
Total assets	<u>14,542,624</u>
<b>Net Position</b>	
Restricted for:	
Capital projects	299,472
Unrestricted	<u>14,243,152</u>
Total net position	<u><u>\$ 14,542,624</u></u>

*See accompanying notes to the financial statements.*

**Summit Metro Parks**  
**Summit County**  
Statement of Activities - Cash Basis  
For the Year Ended December 31, 2023

	Program Cash Receipts				Net (Cash Disbursements) Cash Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services and Sales	Operating Grants Contributions and Interest	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>					
Conservation/recreation	\$ 19,943,204	\$ 885,764	\$ 134,178	\$ -	\$ (18,923,262)
Capital outlay	8,683,264	9,091	-	1,846,226	(6,827,947)
Total governmental activities	28,626,468	894,855	134,178	1,846,226	(25,751,209)
Total government	\$ 28,626,468	\$ 894,855	\$ 134,178	\$ 1,846,226	(25,751,209)
		<b>General Receipts</b>			
		Property taxes levied for:			
				General purposes	21,461,553
				Grants and entitlements not restricted to specific programs	2,022,306
				Sale of capital assets	232,972
				Interest	249,507
				Miscellaneous	270,225
				Total general receipts	24,236,563
				Change in net position	(1,514,646)
				Net position beginning of year	16,057,270
				Net position end of year	\$ 14,542,624

*See accompanying notes to the financial statements.*

**Summit Metro Parks**  
**Summit County**  
Statement of Assets and Fund Balances - Cash Basis  
Governmental Funds  
December 31, 2023

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>			
Equity in pooled cash and cash equivalents	\$ 14,160,206	\$ 299,472	\$ 14,459,678
Total assets	<u>\$ 14,160,206</u>	<u>\$ 299,472</u>	<u>\$ 14,459,678</u>
<b>Fund Balances</b>			
Restricted	-	299,472	299,472
Committed	811,623	-	811,623
Assigned	8,849,313	-	8,849,313
Unassigned	<u>4,499,270</u>	<u>-</u>	<u>4,499,270</u>
Total fund balances	<u>\$ 14,160,206</u>	<u>\$ 299,472</u>	<u>\$ 14,459,678</u>

*See accompanying notes to the financial statements.*

**Summit Metro Parks**  
**Summit County**  
Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities - Cash Basis  
December 31, 2023

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Total Governmental Fund Balances	\$ 14,459,678
Amounts reported for governmental activities in the statement of net position are different because:	
Governmental activities' net position include the internal service funds' cash and cash equivalents.	<u>82,946</u>
Net Position of Governmental Activities	<u><u>\$14,542,624</u></u>

*See accompanying notes to the financial statements.*

**Summit Metro Parks**  
**Summit County**  
Statement of Receipts, Disbursements and Changes in Fund Balances - Cash Basis  
Governmental Funds  
For the Year Ended December 31, 2023

	General	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>			
Property and other local taxes	\$ 21,461,553	\$ -	\$ 21,461,553
Charges for services	763,951	-	763,951
Fines, licenses and permits	1,919	-	1,919
Intergovernmental	2,118,006	1,846,226	3,964,232
Earnings on investments	249,507	-	249,507
Donations	38,478	-	38,478
Merchandise sales	119,894	-	119,894
Royalties revenue	-	9,091	9,091
Miscellaneous	270,225	-	270,225
<b>Total receipts</b>	<b>25,023,533</b>	<b>1,855,317</b>	<b>26,878,850</b>
<b>Disbursements</b>			
Current:			
Employee wages and benefits	12,219,177	-	12,219,177
Supplies, materials and services	4,639,583	-	4,639,583
Other expenses	779,014	-	779,014
Healthcare	2,228,891	-	2,228,891
Capital outlay:			
Equipment	742,219	-	742,219
Development	2,989,844	-	2,989,844
Land purchase	3,205,000	-	3,205,000
Projects	-	1,746,201	1,746,201
<b>Total disbursements</b>	<b>26,803,728</b>	<b>1,746,201</b>	<b>28,549,929</b>
Excess of receipts over (under) disbursements	(1,780,195)	109,116	(1,671,079)
<b>Other financing sources (uses)</b>			
Sale of capital assets	232,972	-	232,972
Transfers out	(90,000)	-	(90,000)
Advances in	2,460,407	-	2,460,407
Advances out	-	(2,460,407)	(2,460,407)
<b>Total other financing sources (uses)</b>	<b>2,603,379</b>	<b>(2,460,407)</b>	<b>142,972</b>
Net change in fund balance	823,184	(2,351,291)	(1,528,107)
Fund balances beginning of year	13,337,022	2,650,763	15,987,785
Fund balances end of year	\$ 14,160,206	\$ 299,472	\$ 14,459,678

*See accompanying notes to the financial statements.*

**Summit Metro Parks**  
**Summit County**  
Reconciliation of the Statement of Receipts, Disbursements and Changes  
in Fund Balances - Governmental Funds to the Statement of Activities - Cash Basis  
For the Fiscal Year Ended December 31, 2023

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Net Change in Fund Balances - Total Governmental Funds \$ (1,528,107)

Amounts reported for governmental activities in the  
statement of activities are different because:

Internal service funds charge insurance costs to other funds. The entity-wide  
statements eliminate governmental fund expenditures and related internal  
service fund charges. Governmental activities report allocated net  
internal service fund receipts (disbursements).

13,461

Change in Net Position of Governmental Activities

(\$1,514,646)

*See accompanying notes to the financial statements.*

**Summit Metro Parks**  
**Summit County**  
Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
General Fund  
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Property and other local taxes	\$ 22,726,197	\$ 23,909,232	\$ 21,461,553	\$ (2,447,679)
Charges for services	141,765	181,176	763,951	582,775
Fines, licenses and permits	356	455	1,919	1,464
Intergovernmental	2,393,035	2,502,300	2,118,006	(384,294)
Earnings on investments	46,301	59,172	249,507	190,335
Donations	7,140	9,125	38,478	29,353
Merchandise sales	22,249	28,434	119,894	91,460
Miscellaneous	50,145	64,086	270,225	206,139
Total receipts	<u>25,387,188</u>	<u>26,753,980</u>	<u>25,023,533</u>	<u>(1,730,447)</u>
<b>Disbursements</b>				
Current:				
Employee wages and benefits	12,479,758	12,942,758	12,219,177	723,581
Supplies, materials and services	6,591,350	6,773,850	5,244,583	1,529,267
Other expenses	987,150	999,150	779,014	220,136
Healthcare	2,600,000	2,600,000	2,228,891	371,109
Equipment	847,325	897,325	742,219	155,106
Development	6,000,000	6,000,000	2,989,844	3,010,156
Land purchase	2,600,000	2,600,000	2,600,000	-
Total disbursements	<u>32,105,583</u>	<u>32,813,083</u>	<u>26,803,728</u>	<u>6,009,355</u>
Excess of receipts over (under) disbursements	(6,718,395)	(6,059,103)	(1,780,195)	4,278,908
<b>Other financing sources (uses)</b>				
Sale of capital assets	55,160	55,160	232,972	177,812
Transfers out	-	-	(90,000)	(90,000)
Advances in	-	-	2,460,407	2,460,407
Total other financing sources (uses)	<u>55,160</u>	<u>55,160</u>	<u>2,603,379</u>	<u>2,548,219</u>
Net change in fund balance	(6,663,235)	(6,003,943)	823,184	6,827,127
Fund balance at beginning of year	<u>13,337,022</u>	<u>13,337,022</u>	<u>13,337,022</u>	<u>-</u>
Fund balance at end of year	<u>\$ 6,673,787</u>	<u>\$ 7,333,079</u>	<u>\$ 14,160,206</u>	<u>\$ 6,827,127</u>

See accompanying notes to the financial statements.



**Summit Metro Parks**  
**Summit County**  
Statement of Fund Net Position - Cash Basis  
Internal Service Fund  
December 31, 2023

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	<u>Internal Service</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 82,946</u>
<b>Net Position</b>	
Unrestricted	<u>82,946</u>
Total Net Position	<u><u>\$ 82,946</u></u>

*See accompanying notes to the financial statements.*

**Summit Metro Parks**  
**Summit County**  
Statement of Cash Receipts, Disbursements and Changes  
in Cash Basis Fund Net Position  
Internal Service Fund  
December 31, 2023

	Internal Service
<b>Operating cash disbursements</b>	
Claims	66,044
Other	10,495
Total operating cash disbursements	76,539
Operating Loss	(76,539)
<b>Other financing sources</b>	
Transfers in	90,000
Change in net position	13,461
Net position at beginning of year	69,485
Net position at end of year	\$ 82,946

*See accompanying notes to the financial statements.*

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 1 - Description of the Park District and Reporting Entity**

The Summit Metro Parks District, Summit County, (the Park District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The probate judge of Summit County appoints a five-member Board of Commissioners to govern the Park 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.

***Reporting Entity***

The reporting entity is comprised of the primary government and other organizations included ensuring that the basic financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Park District. For the Park District, this includes general operations.

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

***Related Organization***

The Summit Metro Parks Foundation (the Foundation) is a not-for-profit organization with a self-appointed board. The Park District is not financially accountable for the organization, nor does the Park District approve the budget or the issuance of debt of the organization. The Foundation is organized exclusively for the charitable educational, and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 and to operate exclusively for the benefit of the Park District and to further the Park District's charitable purposes.

A Board of Trustees consisting of five (5) interested persons residing in the State of Ohio manages the Foundation's affairs and determines how Foundation money is spent. During 2023, five Commissioners served on the Foundation's Board. The Foundation has unaudited receipts of \$2,786,081, unaudited expenditures of \$1,400,609, and an unaudited fund balance of \$10,015,226.

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

**Note 2 – Summary of Significant Accounting Policies**

As discussed further in the "Basis of Accounting" section of this note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting.

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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

***Basis of Presentation***

The Park District's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

***Government-wide Financial Statements*** The statement of net position and the statement of activities display information about the Park District as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other non-exchange transactions. The activity of the internal service fund is eliminated to avoid "doubling-up" revenues and expenses. However, the services provided and used are not eliminated in the process of consolidation.

The Statement of Net Position presents the cash balance of the governmental activities of the Park District at year end. The statement of activities compares disbursements with program receipts for each function of program of the Park District's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the government is responsible. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on the cash-basis or draws from the Park District's general receipts.

***Fund Financial Statements*** During the year, the Park District segregates transactions related to certain Park District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Park District at this more detailed level. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements.

***Fund Accounting***

The Park District uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The Park District classifies each fund as either governmental or proprietary.

***Governmental Funds*** Governmental funds are those through which most governmental functions of the Park District are financed. The following is the Park District's major governmental fund:

***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 Park District for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Proprietary Funds*** Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise or internal service; the Park District has no enterprise funds.

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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

***Internal Service Fund*** This fund accounts for services provided by one department to other departments of the Park District. The Park District's only internal service fund accounted for the operation of the Park District's self-insurance program for vision and dental benefits.

***Basis of Accounting***

The Park District's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Park District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Park District are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

***Deposits and Investments***

As the Ohio Revised Code permits, the Summit County Fiscal Officer holds the Park District's deposits as the Park District's custodian. The County holds the Park District's assets in its investment pool, valued at the Fiscal Officer's reported carrying amount. The carrying amount of deposits and investments at December 31 were \$14,542,624.

***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the Park District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

***Nonspendable*** The non-spendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

***Restricted*** Fund balance is reported as 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*** The committed fund balance includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Park District's Board. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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

*Assigned* Amounts in the assigned fund balance classification are intended to be used by the Park District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Park District Board or a Park District official delegated that authority by resolution, or by State Statute. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year's appropriated budget in the general fund.

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

The Park 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.

***Interfund Receivables/Payables***

The Park District reports advances in and advances out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

***Capital Assets***

Acquisitions of property, plant and equipment are recorded as disbursements when paid. The financial statements do not report these assets.

***Accumulated Vacation and Sick Leave***

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused vacation and sick leave. Unpaid leave is not reflected as a liability under the Park District's cash basis of accounting.

***SBITAs***

The District has entered into noncancelable Subscription-Based Information Technology Arrangements (SBITA) contracts (as defined by GASB 96) for several types of software including contracts related to financial systems and various other software. Subscription disbursements are recognized when they are paid.

***Inter-fund Activity***

The statements report exchange transactions between funds as receipts in the seller funds and as disbursements in the purchasing funds. Non-exchange flows of cash from one fund to another are reported as inter-fund transfers. Governmental funds report inter-fund transfers as other financing sources/uses. The statements do not report repayments from funds responsible for particular disbursements to the funds initially paying the costs.

**Summit Metro Parks**  
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*For the Year Ended December 31, 2023*

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

***Budgetary Process***

Ohio law requires the Park District to budget and appropriate all funds. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which use the budgetary basis of accounting. The budgetary basis reports expenditures when a commitment is made (i.e., when an encumbrance is approved). The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts the Park District may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control the Board selects. The Board uses the object level within each fund as its legal level of control.

The certificate of estimated resources may be amended during the year if the Park District projects increases or decreases in receipts. The amounts reported as the original budget in the budgetary statements reflect the amounts in the certificate when the Board adopted the original appropriations. The amounts reported as the final budget in the budgetary statements reflect the amounts in the amended certificate in effect at the time the final appropriations were passed.

The Board may amend appropriations throughout the year with the restriction that appropriations may not exceed estimated resources. The amounts reported as the original budget reflect the first appropriation for a fund covering the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budget represent the final appropriation the Board passed during the year.

**Note 3 – Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the Park District. Property tax revenue received during 2023 for real and public utility property taxes represents collections of 2022 taxes.

2023 real property taxes are levied after October 1, 2023 on the assessed value as of January 1, 2023 the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2023 real property taxes are collected in and intended to finance 2024. Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes.

The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the Park District. The County Auditor periodically remits to the Park District its portion of the taxes.

The full tax rate for all Park District operations for the year ended December 31, 2023 was \$2.00 per \$1,000 of assessed value. The assessed values of real and public utility tangible personal property upon which 2023 property tax receipts were based are as follows:

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*Notes to the Financial Statements*  
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**Note 3 – Property Taxes (continued)**

Property Category	2023 Assessed Value
<u>Real Property</u>	
Residential and agricultural	\$ 10,297,720,640
Other	2,980,220,670
 <u>Tangible Personal Property</u>	
Public utilities	675,290,230
Total	<u>\$ 13,953,231,540</u>

**Note 4 – Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis presented for the general fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as assigned fund balance (cash basis). There were no encumbrances outstanding at year end (budgetary basis) for the General Fund.

**Note 5 – Interfund Advances and Transfers**

During 2023, \$2,460,407 of advances were returned to the General Fund. The balance of outstanding advances is \$845,866.

During 2023, the following transfers were made:

Fund	Transfer To	Transfer From
General fund	\$ -	\$ 90,000
Internal service fund	90,000	-

The above-mentioned Transfer To/From was used to move receipts from the general fund required to collect property tax revenue to the internal service fund required to pay self-insured health care expenses in accordance with budgetary authorizations. Transfers from the general fund into the internal service fund were in compliance with Ohio Revised Code to pay for the Park District’s self- insurance program.

**Note 6 – Risk Management**

***Commercial Insurance***

The Park District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.



**Summit Metro Parks**  
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*For the Year Ended December 31, 2023*

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**Note 6 – Risk Management (continued)**

The Park District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

***Self-Insurance***

The Park District is self-insured for dental and vision insurance only. The dental and vision policies each have a maximum annual limit of \$1,000 paid out per person for approved claims.

**Note 7 – Defined Benefit Pension Plan**

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

Park District employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. Participating employers are divided into state, local, law enforcement and public safety divisions.

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

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2023, member and employer contribution rates were consistent across all three plans. For 2023, OPERS members contributed 10% of their gross salaries and the Park District contributed an amount equaling 14% and of participants' gross salaries. The Park Rangers contributed 13% of their gross salaries and the Park District contributed 18.10% of Park Rangers' gross salaries for 2023.

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

**Summit Metro Parks**  
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*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member’s pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

**Summit Metro Parks**  
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*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of their benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

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

**Summit Metro Parks**  
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*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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

	<u>State and Local</u>			
	<u>Traditional</u>	<u>Combined</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
<b>2023 Statutory Maximum Contribution Rates</b>				
Employer	14.0 %	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	10.0 %	**	***
<b>2023 Actual Contribution Rates</b>				
Employer:				
Pension ****	14.0 %	12.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits *****	0.0	2.0	0.0	0.0
Total Employer	<u>14.0 %</u>	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

\* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

\*\* This rate is determined by OPERS' Board and has no maximum rate established by ORC.

\*\*\* This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

\*\*\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Park District's required contributions to OPERS for the year ended December 31, 2023 was \$1,529,903. 100% has been contributed for 2023.

**Note 8 – Post Employment Benefits**

***Ohio Public Employees Retirement System***

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health

**Summit Metro Parks**  
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*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 8 – Post Employment Benefits (continued)**

care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to traditional pension plan and combined plan benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

**Medicare Retirees** Medicare-eligible with a minimum of 20 years of qualifying service credit

**Non-Medicare Retirees** Non-Medicare retirees qualify based on the following age-and-service criteria:

**Group A** 30 years of qualifying service credit at any age;

**Group B** 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

**Group C** 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022 who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

**Summit Metro Parks**  
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*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 8 – Post Employment Benefits (continued)**

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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

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

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer’s contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14% of earnable salary and public safety and law enforcement employers contributed at 18.1%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2023 was 4%; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Park District’s contractually required contribution was \$0 for the year 2023.

**Summit Metro Parks**  
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*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 9 – Fund Balances**

Fund balance is classified as non-spendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Park District is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for major governmental funds and all other governmental funds are presented below:

<u>Fund Balances</u>	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Restricted for:</u>			
Land Purchase or Park Maintenance	\$ -	\$ 124,472	\$ 124,472
Clean Ohio	-	175,000	175,000
Total restricted	-	299,472	299,472
<u>Committed to:</u>			
Consultation	116,908	-	116,908
Contract Services	245,436	-	245,436
Planning and Development	449,279	-	449,279
Total committed	811,623	-	811,623
<u>Assigned to:</u>			
Subsequent Year Appropriations	8,849,313	-	8,849,313
Total assigned	8,849,313	-	8,849,313
Unassigned	4,499,270	-	4,499,270
Total fund balances	<u>\$14,160,206</u>	<u>\$ 299,472</u>	<u>\$14,459,678</u>

**Note 10 – Contingent Liabilities**

The Park District may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the Park District's financial condition.

**Summit Metro Parks**  
**Summit County**  
Statement of Net Position - Cash Basis  
December 31, 2022

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in pooled cash and cash equivalents	<u>\$ 16,057,270</u>
Total assets	<u>16,057,270</u>
<b>Net Position</b>	
Restricted for:	
Capital projects	2,650,763
Assigned	6,675,161
Unrestricted	<u>6,731,346</u>
Total net position	<u><u>\$ 16,057,270</u></u>

*See accompanying notes to the financial statements.*



**Summit Metro Parks**  
**Summit County**  
Statement of Activities - Cash Basis  
For the Year Ended December 31, 2022

	Program Cash Receipts				Net (Cash Disbursements) Cash Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services and Sales	Operating Grants Contributions and Interest	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>					
Conservation/recreation	\$ 19,157,269	\$ 759,355	\$ 30,239	\$ -	\$ (18,367,675)
Capital outlay	3,408,738	16,434	-	1,000,768	(2,391,536)
Total governmental activities	<u>22,566,007</u>	<u>775,789</u>	<u>30,239</u>	<u>1,000,768</u>	<u>(20,759,211)</u>
Total government	<u>\$ 22,566,007</u>	<u>\$ 775,789</u>	<u>\$ 30,239</u>	<u>\$ 1,000,768</u>	<u>(20,759,211)</u>
		<b>General Receipts</b>			
		Property taxes levied for:			
				General purposes	23,831,092
				Grants and entitlements not restricted to specific programs	2,029,628
				Sale of capital assets	193,578
				Interest	90,457
				Miscellaneous	230,672
				Total general receipts	<u>26,375,427</u>
				Change in net position	5,616,216
				Net position beginning of year	10,441,054
				Net position end of year	<u>\$ 16,057,270</u>

*See accompanying notes to the financial statements.*

**Summit Metro Parks**  
**Summit County**  
Statement of Assets and Fund Balances - Cash Basis  
Governmental Funds  
December 31, 2022

	<u>General</u>	<u>Clean Ohio Conservation</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>				
Equity in pooled cash and cash equivalents	\$ 13,337,022	\$ 1,779,760	\$ 871,003	\$ 15,987,785
Total assets	<u>\$ 13,337,022</u>	<u>\$ 1,779,760</u>	<u>\$ 871,003</u>	<u>\$ 15,987,785</u>
<b>Fund Balances</b>				
Restricted	-	1,779,760	871,003	2,650,763
Committed	1,237,152	-	-	1,237,152
Assigned	6,675,161	-	-	6,675,161
Unassigned	<u>5,424,709</u>	<u>-</u>	<u>-</u>	<u>5,424,709</u>
Total fund balances	<u>\$ 13,337,022</u>	<u>\$ 1,779,760</u>	<u>\$ 871,003</u>	<u>\$ 15,987,785</u>

*See accompanying notes to the financial statements.*

**Summit Metro Parks**  
**Summit County**  
Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities - Cash Basis  
December 31, 2022

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Total Governmental Fund Balances	\$ 15,987,785
Amounts reported for governmental activities in the statement of net position are different because:	
Governmental activities' net position include the internal service funds' cash and cash equivalents.	<u>69,485</u>
Net Position of Governmental Activities	<u><u>\$16,057,270</u></u>

*See accompanying notes to the financial statements.*

**Summit Metro Parks**  
**Summit County**  
Statement of Receipts, Disbursements and Changes in Fund Balances - Cash Basis  
Governmental Funds  
For the Year Ended December 31, 2022

	General	Clean Ohio Conservation	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>				
Property and other local taxes	\$ 23,831,092	\$ -	\$ -	\$ 23,831,092
Charges for services	675,294	-	-	675,294
Fines, licenses and permits	1,139	-	-	1,139
Intergovernmental	2,045,829	-	1,000,769	3,046,598
Earnings on investments	90,457	-	-	90,457
Donations	14,038	-	-	14,038
Merchandise sales	82,921	-	-	82,921
Royalties revenue	-	-	16,434	16,434
Miscellaneous	230,672	-	-	230,672
<b>Total receipts</b>	<b>26,971,442</b>	<b>-</b>	<b>1,017,203</b>	<b>27,988,645</b>
<b>Disbursements</b>				
Current:				
Employee wages and benefits	10,960,743	-	-	10,960,743
Supplies, materials and services	5,408,726	-	-	5,408,726
Other expenses	806,735	-	-	806,735
Healthcare	1,888,740	-	-	1,888,740
Capital outlay:				
Equipment	595,600	-	-	595,600
Development	2,631,449	-	-	2,631,449
Land purchase	110,000	-	-	110,000
Projects	-	-	71,689	71,689
<b>Total disbursements</b>	<b>22,401,993</b>	<b>-</b>	<b>71,689</b>	<b>22,473,682</b>
Excess of receipts over (under) disbursements	4,569,449	-	945,514	5,514,963
<b>Other financing sources (uses)</b>				
Sale of capital assets	193,578	-	-	193,578
Transfers out	(90,000)	-	-	(90,000)
Advances in	1,350,365	1,750,000	719,190	3,819,555
Advances out	(2,469,189)	-	(1,350,366)	(3,819,555)
<b>Total other financing sources (uses)</b>	<b>(1,015,246)</b>	<b>1,750,000</b>	<b>(631,176)</b>	<b>103,578</b>
Net change in fund balance	3,554,203	1,750,000	314,338	5,618,541
Fund balances beginning of year	9,782,819	29,760	556,665	10,369,244
Fund balances end of year	<u>\$ 13,337,022</u>	<u>\$ 1,779,760</u>	<u>\$ 871,003</u>	<u>\$ 15,987,785</u>

See accompanying notes to the financial statements.

**Summit Metro Parks**

**Summit County**

Reconciliation of the Statement of Receipts, Disbursements and Changes  
in Fund Balances - Governmental Funds to the Statement of Activities - Cash Basis  
For the Year Ended December 31, 2022

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Net Change in Fund Balances - Total Governmental Funds	\$ 5,618,541
Amounts reported for governmental activities in the statement of activities are different because:	
Internal service funds charge insurance costs to other funds. The entity-wide statements eliminate governmental fund expenditures and related internal service fund charges. Governmental activities report allocated net internal service fund receipts (disbursements).	<u>(2,325)</u>
Change in Net Position of Governmental Activities	<u><u>\$5,616,216</u></u>

*See accompanying notes to the financial statements.*

**Summit Metro Parks**  
**Summit County**  
Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
General Fund  
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Property and other local taxes	\$ 22,265,223	\$ 23,833,587	\$ 23,831,092	\$ (2,495)
Charges for services	192,424	192,424	675,294	482,870
Fines, licenses and permits	325	325	1,139	814
Intergovernmental	2,582,957	2,582,957	2,045,829	(537,128)
Earnings on investments	25,776	25,776	90,457	64,681
Donations	4,000	4,000	14,038	10,038
Merchandise sales	23,628	23,628	82,921	59,293
Miscellaneous	65,730	65,730	230,672	164,942
<b>Total receipts</b>	<b>25,160,063</b>	<b>26,728,427</b>	<b>26,971,442</b>	<b>243,015</b>
<b>Disbursements</b>				
Current:				
Conservation/recreation:				
Employee wages and benefits	11,973,139	12,114,679	10,960,743	1,153,936
Supplies, materials and services	6,218,400	6,328,400	5,408,726	919,674
Other expenses	960,650	1,003,900	806,735	197,165
Healthcare	2,200,000	2,200,000	1,888,740	311,260
Equipment	757,000	757,000	595,600	161,400
Development	4,600,000	4,600,000	2,631,449	1,968,551
Land purchase	2,540,000	2,540,000	110,000	2,430,000
<b>Total disbursements</b>	<b>29,249,189</b>	<b>29,543,979</b>	<b>22,401,993</b>	<b>7,141,986</b>
Excess of receipts over (under) disbursements	(4,089,126)	(2,815,552)	4,569,449	7,385,001
<b>Other financing sources (uses)</b>				
Sale of capital assets	55,160	55,160	193,578	138,418
Transfers out	(90,000)	(90,000)	(90,000)	-
Advances in	-	-	1,350,365	1,350,365
Advances out	-	-	(2,469,189)	(2,469,189)
<b>Total other financing sources (uses)</b>	<b>(34,840)</b>	<b>(34,840)</b>	<b>(1,015,246)</b>	<b>(980,406)</b>
Net change in fund balance	(4,123,966)	(2,850,392)	3,554,203	6,404,595
Fund balance at beginning of year	9,782,819	9,782,819	9,782,819	-
Fund balance at end of year	<u>\$ 5,658,853</u>	<u>\$ 6,932,427</u>	<u>\$ 13,337,022</u>	<u>\$ 6,404,595</u>

See accompanying notes to the financial statements.

**Summit Metro Parks**  
**Summit County**  
Statement of Fund Net Position - Cash Basis  
Internal Service Fund  
December 31, 2022

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	<u>Internal Service</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 69,485</u>
<b>Net Position</b>	
Unrestricted	<u>69,485</u>
Total Net Position	<u><u>\$ 69,485</u></u>

*See accompanying notes to the financial statements.*

**Summit Metro Parks**  
**Summit County**  
Statement of Cash Receipts, Disbursements and Changes  
in Cash Basis Fund Net Position  
Internal Service Fund  
December 31, 2022

	Internal Service
<b>Operating cash disbursements</b>	
Claims	\$ 80,483
Other	11,842
Total operating cash disbursements	92,325
Operating Loss	(92,325)
<b>Other financing sources</b>	
Transfers in	90,000
Change in net position	(2,325)
Net position at beginning of year	71,810
Net position at end of year	\$ 69,485

*See accompanying notes to the financial statements.*



**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 1 - Description of the Park District and Reporting Entity**

The Summit Metro Parks District, Summit County, (the Park District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The probate judge of Summit County appoints a five-member Board of Commissioners to govern the Park 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.

***Reporting Entity***

The reporting entity is comprised of the primary government and other organizations included ensuring that the basic financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Park District. For the Park District, this includes general operations.

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

***Related Organization***

The Summit Metro Parks Foundation (the Foundation) is a not-for-profit organization with a self-appointed board. The Park District is not financially accountable for the organization, nor does the Park District approve the budget or the issuance of debt of the organization. The Foundation is organized exclusively for the charitable educational, and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 and to operate exclusively for the benefit of the Park District and to further the Park District's charitable purposes.

A Board of Trustees consisting of five (5) interested persons residing in the State of Ohio manages the Foundation's affairs and determines how Foundation money is spent. During 2022, five Commissioners served on the Foundation's Board. The Foundation has unaudited receipts of \$1,253,330, unaudited expenditures of \$245,246, and an unaudited fund balance of \$8,227,671.

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

**Note 2 – Summary of Significant Accounting Policies**

As discussed further in the "Basis of Accounting" section of this note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting.

**Summit Metro Parks**  
Summit 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)**

***Basis of Presentation***

The Park District's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

***Government-wide Financial Statements*** The statement of net position and the statement of activities display information about the Park District as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other non-exchange transactions. The activity of the internal service fund is eliminated to avoid "doubling-up" revenues and expenses. However, the services provided and used are not eliminated in the process of consolidation.

The Statement of Net Position presents the cash balance of the governmental activities of the Park District at year end. The statement of activities compares disbursements with program receipts for each function of program of the Park District's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the government is responsible. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on the cash-basis or draws from the Park District's general receipts.

***Fund Financial Statements*** During the year, the Park District segregates transactions related to certain Park District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Park District at this more detailed level. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements.

***Fund Accounting***

The Park District uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The Park District classifies each fund as either governmental or proprietary.

***Governmental Funds*** Governmental funds are those through which most governmental functions of the Park District are financed. The following are the Park District's major governmental funds:

***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 Park District for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Clean Ohio Conservation Fund*** The Clean Ohio conservation fund accounts for and reports advances in from the general fund for the purpose of providing conservation efforts and other capital improvements to the Metro Parks.

**Summit Metro Parks**  
Summit 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)**

**Proprietary Funds** Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise or internal service; the Park District has no enterprise funds.

**Internal Service Fund** This fund accounts for services provided by one department to other departments of the Park District. The Park District's only internal service fund accounted for the operation of the Park District's self-insurance program for vision and dental benefits.

***Basis of Accounting***

The Park District's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Park District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Park District are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

***Deposits and Investments***

As the Ohio Revised Code permits, the Summit County Fiscal Officer holds the Park District's deposits as the Park District's custodian. The County holds the Park District's assets in its investment pool, valued at the Fiscal Officer's reported carrying amount. The carrying amount of deposits and investments at December 31 were \$16,057,270.

***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the Park District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

**Nonspendable** The non-spendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

**Restricted** Fund balance is reported as 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.

**Summit Metro Parks**  
Summit 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)**

***Committed*** The committed fund balance includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Park District’s Board. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the Park District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Park District Board or a Park District official delegated that authority by resolution, or by State Statute. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year’s appropriated budget in the general fund.

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

The Park 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.

***Interfund Receivables/Payables***

The Park District reports advances in and advances out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

***Capital Assets***

Acquisitions of property, plant and equipment are recorded as disbursements when paid. The financial statements do not report these assets.

***Accumulated Vacation and Sick Leave***

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused vacation and sick leave. Unpaid leave is not reflected as a liability under the Park District’s cash basis of accounting.

**Summit Metro Parks**  
Summit 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)**

***Inter-fund Activity***

The statements report exchange transactions between funds as receipts in the seller funds and as disbursements in the purchasing funds. Non-exchange flows of cash from one fund to another are reported as inter-fund transfers. Governmental funds report inter-fund transfers as other financing sources/uses. The statements do not report repayments from funds responsible for particular disbursements to the funds initially paying the costs.

***Budgetary Process***

Ohio law requires the Park District to budget and appropriate all funds. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which use the budgetary basis of accounting. The budgetary basis reports expenditures when a commitment is made (i.e., when an encumbrance is approved). The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts the Park District may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control the Board selects. The Board uses the object level within each fund as its legal level of control.

The certificate of estimated resources may be amended during the year if the Park District projects increases or decreases in receipts. The amounts reported as the original budget in the budgetary statements reflect the amounts in the certificate when the Board adopted the original appropriations. The amounts reported as the final budget in the budgetary statements reflect the amounts in the amended certificate in effect at the time the final appropriations were passed.

The Board may amend appropriations throughout the year with the restriction that appropriations may not exceed estimated resources. The amounts reported as the original budget reflect the first appropriation for a fund covering the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budget represent the final appropriation the Board passed during the year.

**Note 3 – Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the Park District. Property tax revenue received during 2022 for real and public utility property taxes represents collections of 2021 taxes.

2022 real property taxes are levied after October 1, 2022 on the assessed value as of January 1, 2022 the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2022 real property taxes are collected in and intended to finance 2023. Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2022 public utility property taxes became a lien December 31, 2021, are levied after October 1, 2022, and are collected in 2023 with real property taxes.

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 3 – Property Taxes (continued)**

The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the Park District. The County Auditor periodically remits to the Park District its portion of the taxes.

The full tax rate for all Park District operations for the year ended December 31, 2022 was \$2.00 per \$1,000 of assessed value. The assessed values of real and public utility tangible personal property upon which 2022 property tax receipts were based are as follows:

Property Category	2022 Assessed Value
<u>Real Property</u>	
Residential and agricultural	\$ 10,204,783,520
Other	2,947,777,420
 <u>Tangible Personal Property</u>	
Public utilities	638,041,500
Total	\$ 13,790,602,440

**Note 4 – Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis presented for the general fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as assigned fund balance (cash basis). There were no encumbrances outstanding at year end (budgetary basis) for the General Fund.

**Note 5 – Interfund Advances and Transfers**

The General Fund advances monies into Capital Project Funds for the purpose of paying allowable grant expenditures for the current year. Additionally, returns of advances are made from the Capital Project funds to repay the General Fund advances. Advances made during 2022 consisted of the following:

Fund	Advance To	Advance From
General fund	\$ -	\$2,469,189
Clean Ohio conservation fund	1,750,000	
Nonmajor governmental funds	719,190	-
Total	\$2,469,190	\$2,469,189

As of December 30, 2022 the outstanding advance balance is \$3,306,273. All advances outstanding are anticipated to be repaid within one year.

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 5 – Interfund Advances and Transfers (continued)**

During 2022, the following transfers were made:

<b>Fund</b>	<b>Transfer To</b>	<b>Transfer From</b>
General fund	\$ -	\$ 90,000
Internal service fund	90,000	-

The above-mentioned Transfer To/From was used to move receipts from the general fund required to collect property tax revenue to the internal service fund required to pay self-insured health care expenses in accordance with budgetary authorizations. Transfers from the general fund into the internal service fund were in compliance with Ohio Revised Code to pay for the Park District’s self- insurance program.

**Note 6 – Risk Management**

***Commercial Insurance***

The Park District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Park District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

***Self-Insurance***

The Park District is self-insured for dental and vision insurance only. The dental and vision policies each have a maximum annual limit of \$1,000 paid out per person for approved claims.

**Note 7 – Defined Benefit Pension Plan**

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

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

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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

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

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2022, member and employer contribution rates were consistent across all three plans. For 2022, OPERS members contributed 10% of their gross salaries and the Park District contributed an amount equaling 14% and of participants' gross salaries. The Park Rangers contributed 13% of their gross salaries and the Park District contributed 18.10% of Park Rangers' gross salaries for 2022.

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



**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years <u>after January 7, 2013</u>	20 years of service credit prior to January 7, 2013 or eligible to retire <u>ten years after January 7, 2013</u>	Members not in other Groups and members hired on or after <u>January 7, 2013</u>
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and service requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and service requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and service requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Public Safety</b>	<b>Public Safety</b>	<b>Public Safety</b>
<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Law Enforcement</b>	<b>Law Enforcement</b>	<b>Law Enforcement</b>
<b>Age and Service Requirements:</b> Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>
<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

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

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member’s contributions plus or minus the investment gains or losses resulting from the member’s investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members’ contributions, vested employer contributions and investment gains or losses resulting from the members’ investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of their benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

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

	State and Local	Public Safety	Law Enforcement
<b>2022 Statutory Maximum Contribution Rates</b>			
Employer	14.0%	18.1%	18.1%
Employee *	10.0%	**	***
 <b>2022 Actual Contribution Rates</b>			
Employer			
Pension****	14.0%	18.1%	18.1%
Post-employment Health Care Benefits ****	0.0%	0.0%	0.0%
Total Employer	14.0%	18.1%	18.1%
Employee	10.0%	12.0%	13.0%

- \* Member contributions within the combined plan are not used to fund the defined
- \*\* This rate is determined by OPERS' Board and has no maximum rate established by
- \*\*\* This rate is also determined by OPERS' Board, but is limited by ORC to not more
- \*\*\*\* These pension and employer health care rates are for the traditional and combined

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Park District's required contributions to OPERS for the year ended December 31, 2022 was \$1,244,245. 100% has been contributed for 2022.

**Note 8 – Post Employment Benefits**

***Ohio Public Employees Retirement System***

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS ACFR referenced below for additional information.

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

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

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, state and local employers contributed at a rate of 14% of earnable salary and public safety and law enforcement employers contributed at 18.1%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

**Note 8 – Post Employment Benefits (continued)**

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2022, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2022 was 4%.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Park District’s contractually required contribution was \$0 for the year 2022.

**Note 9 – Fund Balances**

Fund balance is classified as non-spendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Park District is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for major governmental funds and all other governmental funds are presented below:

2022 Fund Balances	General	Clean Ohio Conservation	Other Governmental Funds	Total Governmental Funds
<u>Restricted for</u>				
Land Purchase or Park Maintenance \$	-	\$ -	\$ 115,381	\$ 115,381
Valley View Restoration	-	-	39,181	39,181
FEMA	-	-	716,441	716,441
Clean Ohio	-	1,779,760	-	1,779,760
Total restricted	-	1,779,760	871,003	2,650,763
<u>Committed to</u>				
Consultation	255,761	-	-	255,761
Contract services	364,491	-	-	364,491
Equipment	8,378	-	-	8,378
Planning & development	608,522	-	-	608,522
Total committed	1,237,152	-	-	1,237,152
<u>Assigned to:</u>				
Subsequent Year Appropriations	6,675,161	-	-	6,675,161
Total assigned	6,675,161	-	-	6,675,161
Unassigned	5,424,709	-	-	5,424,709
Total fund balances	<u>\$ 13,337,022</u>	<u>\$ 1,779,760</u>	<u>\$ 871,003</u>	<u>\$ 15,987,785</u>

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 10 – Contingent Liabilities**

The Park District may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the Park District's financial condition.

**Note 11 – 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 April 2023. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Park District. The impact on the Park District's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Summit Metro Parks  
Summit County  
975 Treaty Line Road  
Akron, Ohio 44313

To the Board of Park 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 cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Summit Metro Parks, Summit County, (the Park District) as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements and have issued our report thereon dated June 13, 2024, wherein we noted the Park District uses a special purpose framework other than generally accepted accounting principles.

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

In planning and performing our audit of the financial statements, we considered the Park 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 Park District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Park 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 Park 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 Park 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 Park 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 Park District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



***Charles E. Harris & Associates, Inc.***

June 13, 2024

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# OHIO AUDITOR OF STATE KEITH FABER



**SUMMIT METRO PARKS**

**SUMMIT 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 7/30/2024**

65 East State 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)