

MIAMI COUNTY PARK DISTRICT  
FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007





# Mary Taylor, CPA

Auditor of State

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

We have reviewed the *Independent Auditors' Report* of the Miami County Park District, Miami County, prepared by Duvall & Associates, Inc., for the audit period January 1, 2007 through December 31, 2008. 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.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditors' Report* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Auditors' Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

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 Miami County Park District is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA  
Auditor of State

September 4, 2009

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## INDEPENDENT AUDITORS' REPORT

To The Board of the  
Miami County Park District  
Miami County, Ohio

We have audited the accompanying financial statements of the Miami County Park District (the District), as of and for the years ended December 31, 2008 and 2007 as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the District has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP requires presenting entity wide statements and also presenting the District's larger (i.e. major) funds separately. While the District does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require the District to reformat their statements. The District has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply that the amounts reported as materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the following second paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2008 and 2007 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2008 and 2007, or its changes in financial position or cash flows for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Miami County Park District, as of December 31, 2008 and 2007, and its combined cash receipts and disbursements for the years then ended on the accounting basis described in Note 1.

The District has not presented Managements' Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with Government Auditing Standards, we have also issued our report dated June 26, 2009, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*Duvall & Associates, Inc.*

Duvall & Associates, Inc.

June 26, 2009

MIAMI COUNTY PARK DISTRICT  
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
 CHANGES IN FUND BALANCES  
 ALL GOVERNMENTAL FUND TYPES  
 FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Governmental Fund Type</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
<b>CASH RECEIPTS:</b>			
Real Estate Property Tax	\$ 1,665,852	\$ -	\$ 1,665,852
Personal Property Tax	113,416	-	113,416
Grants	10,959	16,790	27,749
Intergovernmental Revenue	526,077	-	526,077
Investment Income	59,915	-	59,915
Gifts and Donations	8,272	-	8,272
Fees	375	-	375
Sales	11,879	-	11,879
Devises and Bequests	-	-	-
Other Receipts	9,177	-	9,177
Total Cash Receipts	<u>\$ 2,405,922</u>	<u>\$ 16,790</u>	<u>\$ 2,422,712</u>
<b>CASH DISBURSEMENTS:</b>			
Salaries	913,113	-	913,113
Supplies	144,340	-	144,340
Equipment	129,523	-	129,523
Contracts - Repair	106,376	-	106,376
Contracts - Services	284,234	-	284,234
Grants	10,217	38,258	48,475
Rentals	29,643	-	29,643
Advertising and Printing	1,685	-	1,685
Travel	11,784	-	11,784
Public Employee Retirement	129,822	-	129,822
Workers' Compensation	15,346	-	15,346
Unemployment Compensation	-	-	-
Other	334,839	-	334,839
Total Cash Disbursements	<u>2,110,922</u>	<u>38,258</u>	<u>2,149,180</u>
<b>TOTAL RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<u>295,000</u>	<u>(21,468)</u>	<u>273,532</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS.



MIAMI COUNTY PARK DISTRICT  
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
 CHANGES IN FUND BALANCES  
 ALL GOVERNMENTAL FUND TYPES  
 FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Governmental Fund Type</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
OTHER FINANCING RECEIPTS (DISBURSEMENTS):			
Proceeds from Sale of Stock	-	-	-
Transfers - In	-	-	-
Advances - In	-	-	-
Transfers - Out	-	-	-
Advances - Out	-	-	-
Other Sources	-	-	-
Total Other Financing Receipts (Disbursements)	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF CASH RECEIPTS AND OTHER FINANCING RECEIPTS OVER (UNDER) CASH DISBURSEMENTS AND OTHER FINANCING DISBURSEMENTS	295,000	(21,468)	273,532
FUND CASH BALANCES, JANUARY 1	<u>2,619,512</u>	<u>233,608</u>	<u>2,853,120</u>
FUND CASH BALANCES, DECEMBER 31	<u>\$ 2,914,512</u>	<u>\$ 212,140</u>	<u>\$ 3,126,652</u>
RESERVES FOR ENCUMBRANCES, DECEMBER 31	<u>\$ 359,199</u>	<u>\$ 137</u>	<u>\$ 359,336</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS.

MIAMI COUNTY PARK DISTRICT  
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
 CHANGES IN FUND BALANCES  
 ALL GOVERNMENTAL FUND TYPES  
 FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Governmental Fund Type</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
<b>CASH RECEIPTS:</b>			
Real Estate Property Tax	\$ 1,700,300	\$ -	\$ 1,700,300
Personal Property Tax	135,733	-	135,733
Grants	72,564	447,631	520,195
Intergovernmental Revenue	586,270	-	586,270
Investment Income	101,788	-	101,788
Gifts and Donations	49,941	-	49,941
Fees	412	-	412
Sales	38,939	-	38,939
Devises and Bequests	-	-	-
Other Receipts	27,412	-	27,412
<b>Total Cash Receipts</b>	<u>2,713,359</u>	<u>447,631</u>	<u>3,160,990</u>
<b>CASH DISBURSEMENTS:</b>			
Salaries	912,698	-	912,698
Supplies	129,996	-	129,996
Equipment	147,816	-	147,816
Contracts - Repair	61,171	-	61,171
Contracts - Services	691,861	-	691,861
Grants	9,687	418,247	427,934
Rentals	26,880	-	26,880
Advertising and Printing	1,996	-	1,996
Travel	14,182	-	14,182
Public Employee Retirement	123,201	-	123,201
Workers' Compensation	5,423	-	5,423
Unemployment Compensation	3,460	-	3,460
Other	313,374	-	313,374
<b>Total Cash Disbursements</b>	<u>2,441,745</u>	<u>418,247</u>	<u>2,859,992</u>
<b>TOTAL RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<u>271,614</u>	<u>29,384</u>	<u>300,998</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS.

MIAMI COUNTY PARK DISTRICT  
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
 CHANGES IN FUND BALANCES  
 ALL GOVERNMENTAL FUND TYPES  
 FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Governmental Fund Type</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
OTHER FINANCING RECEIPTS (DISBURSEMENTS):			
Proceeds from Sale of Stock	-	-	-
Transfers - In	-	-	-
Advances - In	20,258	-	20,258
Transfers - Out	-	-	-
Advances - Out		(20,258)	(20,258)
Other Sources	-	-	-
Total Other Financing Receipts (Disbursements)	<u>20,258</u>	<u>(20,258)</u>	<u>-</u>
EXCESS OF CASH RECEIPTS AND FINANCING RECEIPTS OVER (UNDER) CASH DISBURSEMENTS AND OTHER FINANCING DISBURSEMENTS	291,872	9,126	300,998
FUND CASH BALANCES, JANUARY 1	<u>2,327,640</u>	<u>224,482</u>	<u>2,552,122</u>
FUND CASH BALANCES, DECEMBER 31	<u>\$ 2,619,512</u>	<u>\$ 233,608</u>	<u>\$ 2,853,120</u>
RESERVES FOR ENCUMBRANCES, DECEMBER 31	<u>\$ 264,356</u>	<u>\$ -</u>	<u>\$ 264,356</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS.

MIAMI COUNTY PARK DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Miami County Park District, (the District) as a body corporate and political. The probate judge of Miami County appoints a three member Board of Commissioners to govern the District. The Commissioners are authorized to acquire, develop, protect, maintain, and improve park lands and facilities. The Commissioners may convert acquired land into forest reserves. The Commissioners are also responsible for activities related to conserving natural resources including streams, lakes, submerged lands, and swamp lands. The Board may also create parks, parkways, and other reservations and may afforest, develop, improve and protect and promote the use of these assets conducive to the general welfare.

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

Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The District recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e. when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

Cash and Investments

As the Ohio Revised Code permits, the Miami County Treasurer holds the District's cash as the District's custodian. The County holds the District's assets in its investment pool, valued at the Treasurer's reported carrying amount.

The District values common stock at cost or fair value when donated.

Fund Accounting

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District classifies its funds into the following types:

MIAMI COUNTY PARK DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting

a) General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund.

b) Special Revenue Funds

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The District had the following significant Special Revenue Funds:

i) Land and Water Conservation Fund -

This fund receives federal land and water conservation grants for the Hobart Urban Nature Preserve.

ii) Ohio Department of Natural Resources Clean Ohio Grant Fund -

This fund receives state grant monies for the construction of a bikeway.

iii) Ohio Public Works Commission Clean Ohio Hobart Reserve Fund -

This fund receives state grant monies for the Clean Ohio Program for Hobart Urban Nature Reserve.

Budgetary Process:

The Ohio Revised Code requires the Board of Commissioners to budget each fund annually.

a) Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function level of control, and estimated resources. Appropriation authority includes current year appropriations plus encumbrances carried over from the prior year (if any). The Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

b) Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1.

MIAMI COUNTY PARK DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2008 AND 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Process

c) Encumbrances:

The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2008 and 2007 budgetary activity appears in Note 3.

Property, Plant, and Equipment

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

2. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2008 and 2007 follows:

2008 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 2,496,969	\$ 2,405,922	\$ (91,047)
Special Revenue	43,780	16,790	(26,990)
Total	<u>\$ 2,540,749</u>	<u>\$ 2,422,712</u>	<u>\$ (118,037)</u>

2008 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 2,652,657	\$ 2,110,922	\$ (541,735)
Special Revenue	101,941	38,258	(63,683)
Total	<u>\$ 2,754,598</u>	<u>\$ 2,149,180</u>	<u>\$ (605,418)</u>

MIAMI COUNTY PARK DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2008 AND 2007

2. BUDGETARY ACTIVITY (Continued)

2007 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 2,506,464	\$ 2,713,359	\$ 206,895
Special Revenue	<u>549,579</u>	<u>447,631</u>	<u>(101,948)</u>
Total	<u>\$ 3,056,043</u>	<u>\$ 3,160,990</u>	<u>\$ 104,947</u>

2007 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 3,074,534	\$ 2,441,745	\$ (632,789)
Special Revenue	<u>6,687</u>	<u>418,247</u>	<u>411,560</u>
Total	<u>\$ 3,081,221</u>	<u>\$ 2,859,992</u>	<u>\$ (221,229)</u>

3. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board of Park Commissioners adopts rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the District.

Property owners assess tangible personal property tax. They must file a list of this property to the County by each April 30. Effective January 1, 2009, the personal property tax for property owners within the county will be phased out and replaced with the Commercial Activity Tax (CAT).

MIAMI COUNTY PARK DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007

3. PROPERTY TAX (Continued)

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

4. RETIREMENT SYSTEMS

The District's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2008 and 2007, OPERS members contributed 10 and 9.5%, respectively, of their gross salaries and the District contributed an amount equaling 14% and 13.85%, respectively, of participants' gross salaries. The District has paid all contributions required through December 31, 2008.

5. RISK MANAGEMENT

The Government is exposed to various risks of property and casualty losses, and injuries to employees.

The Government insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Government belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. PEP is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Insurance

For an occurrence prior to January 1, 2006, PEP retains casualty risks up to \$250,000 per occurrence, including claim adjustment expenses. PEP pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$10,000,000 in the aggregate per year.

For occurrences on or after January 1, 2006, PEP retains casualty risk up to \$350,000 per claim, including loss adjustment expenses. PEP pays a percentage of its contribution to APEEP. APEEP reinsures claims exceeding \$350,000, and provides up to \$2,650,000 per claim and \$10,000,000 in the aggregate per year.



MIAMI COUNTY PARK DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2008 AND 2007

5. RISK MANAGEMENT (Continued)

Casualty Insurance

If losses exhaust PEP's retained earnings, APEEP covers PEP losses up to \$5,000,000 per year, subject to an aggregate of \$10,000,000. Governments can elect additional coverage, from \$3,000,000 to \$13,000,000, General Reinsurance Corporation.

Property Insurance

Travelers reinsures specific losses exceeding \$250,000, and provides up to \$600,000,000 per occurrence. APEEP reinsures members for a specific loss exceeding \$100,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined PEP members' total insurable values. If the stop loss is reached by payment of losses between \$100,000 and \$250,000, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600,000,000 per occurrence limit.

The aforementioned casualty and property reinsurance agreements do not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective PEP member.

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2008 and 2007 (the latest information available):

	<u>2008</u>	<u>2007</u>
Assets	\$ 35,769,535	\$ 37,560,071
Liabilities	<u>(15,310,206)</u>	<u>(17,340,825)</u>
Net Assets - Unrestricted	<u>\$ 20,459,329</u>	<u>\$ 20,219,246</u>

At December 31, 2008 and 2007 respectively, casualty coverage liabilities noted above include approximately \$12.9 million and \$15.0 million of estimated incurred claims payable. The Casualty Coverage assets and retained earnings above also include approximately \$12.9 million and \$15.0 million of unpaid claims to be billed to approximately 445 member governments in the future, as of December 31, 2008 and 2007 respectively. These amounts will be included in future contributions from members when the related claims are due for payment.

MIAMI COUNTY PARK DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007

5. RISK MANAGEMENT (Continued)

The Government's share of these unpaid claims collectible in future years is approximately \$85,000. This payable includes the subsequent year's contribution due if the Government terminates participation, as described in the last paragraph below.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

Contributions to PEP

2006	\$39,230
2007	\$38,704
2008	\$42,491

After completing one year of membership, members may withdraw on each anniversary of the date they joined PEP provided they give written notice to PEP 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's budgetary contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.



# DUVALL & ASSOCIATES, INC.

*c e r t i f i e d   p u b l i c   a c c o u n t a n t s*

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REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

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

To the Board of Park Commissioners:

We have audited the financial statements of the Miami County Park District, (the District) as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated June 26, 2009, wherein we noted the District prepared its financial statements using accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control over Financial Reporting

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that a material misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above. We noted certain matters that we reported to the District's management in a separate letter dated June 26, 2009.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2008-001.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated June 26, 2009.

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the District's response and, accordingly, we express no opinion on it.

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

*Duvall & Associates, Inc.*

Duvall & Associates, Inc.  
June 26, 2009

MIAMI COUNTY PARK DISTRICT  
SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2008 AND 2007

FINDING NUMBER 2008-001

Statement of Condition:

Our review of the board minutes noted that there were some instances where there was no mention of the general subject matter in the executive sessions.

Criteria:

Ohio Revised Code Section (ORC) 121.22 requires that "the minutes" reflect the general subject matter of discussions in executive sessions.

Effect of Condition:

Although there was no material effect on the financial statements, the District was not in compliance with ORC Section 121.22.

Recommendation:

The Park District should monitor compliance with Ohio Revised Code Section 121.22 and review the minutes before they are published to ensure that they are in compliance with said code section.

Management's Response:

The Park District will review the minutes before they are published to ensure that the minutes are complete as required by ORC Section 121.22.

MIAMI COUNTY PARK DISTRICT

SCHEDULE OF PRIOR FINDINGS

DECEMBER 31, 2008 AND 2007

Finding Number	Finding Summary	Fully Corrected?	Note Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; EXPLAIN
2006-001	Ohio Rev Code 5705.36 Obtaining a reduced amended certificate.	YES	



**Mary Taylor, CPA**  
Auditor of State

**MIAMI COUNTY PARK DISTRICT**

**MIAMI COUNTY**

**CLERK'S CERTIFICATION**

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 22, 2009**