

***MEDINA COUNTY PARK DISTRICT***

**MEDINA COUNTY, OHIO**

**AUDIT REPORT**

**For the Years Ended December 31, 2013 and 2012**







# Dave Yost • Auditor of State

Board of Commissioners  
Medina County Park District  
6364 Deerview Lane  
Medina, Ohio 44256

We have reviewed the *Independent Auditors' Report* of the Medina County Park District, Medina County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2012 through December 31, 2013. 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 Medina County Park District is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost  
Auditor of State

July 21, 2014

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**MEDINA COUNTY PARK DISTRICT  
MEDINA COUNTY**

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**INDEPENDENT AUDITORS' REPORT**

Medina County Park District  
Medina County  
6364 Deerview Lane  
Medina, Ohio 44256

To the Board of Commissioners:

***Report on the Financial Statements***

We have audited the accompanying financial statements and related notes of the Medina County Park District, Medina County, (the District) as of and for the years ended December 31, 2013 and 2012.

***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

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

As described in Note 1 of the financial statements, the District prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2013 and 2012, or changes in financial position thereof for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the Medina County Park District, Medina County as of December 31, 2013 and 2012, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2014, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



**CHARLES E. HARRIS & ASSOCIATES, INC.**  
June 20, 2014



**MEDINA COUNTY PARK DISTRICT  
MEDINA COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	General	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>			
Property Taxes	\$ 2,712,447	\$ -	\$ 2,712,447
Intergovernmental	886,192	106,724	992,916
Earnings on Investments	10,630	5,132	15,762
Sales	6,934	-	6,934
Fees	149,171	-	149,171
Gifts and Donations	9,362	121,936	131,298
Other Receipts	72,253	18,012	90,265
<i>Total Cash Receipts</i>	<u>3,846,989</u>	<u>251,804</u>	<u>4,098,793</u>
<b>Cash Disbursements</b>			
Current:			
Salaries	1,120,501	-	1,120,501
Workers' Compensation	11,327	-	11,327
Public Employees Retirement System	161,453	-	161,453
Medicare	15,933	-	15,933
Hospitalization	148,631	-	148,631
Supplies	9,908	3,605	13,513
Material	52,617	93,792	146,409
Equipment	92,162	112,620	204,782
Equipment - Rental	4,831	3,206	8,037
Contracts - Repair	2,062	-	2,062
Contracts - Services	160,210	1,225,845	1,386,055
Advertising and Printing	39,516	880	40,396
Gasoline/Travel	48,445	-	48,445
Other	116,906	-	116,906
Capital Outlay	765,276	-	765,276
Debt Service:			
Principal Retirement	671,612	167,910	839,522
Interest and Fiscal Charges	45,232	11,301	56,533
<i>Total Cash Disbursements</i>	<u>3,466,622</u>	<u>1,619,159</u>	<u>5,085,781</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	380,367	(1,367,355)	(986,988)
<b>Other Financing Receipts (Disbursements)</b>			
Transfers In	-	540,000	540,000
Transfers Out	(540,000)	-	(540,000)
Refunds	665	-	665
Reimbursement	6,568	102,131	108,699
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(532,767)</u>	<u>642,131</u>	<u>109,364</u>
<i>Net Change in Fund Cash Balances</i>	(152,400)	(725,224)	(877,624)
<i>Fund Cash Balances, January 1</i>	<u>2,544,980</u>	<u>1,702,554</u>	<u>4,247,534</u>
<b>Fund Cash Balances</b>			
Restricted	-	7,143	7,143
Committed	1,539,735	970,187	2,509,922
Assigned	33,160	-	33,160
Unassigned	819,685	-	819,685
<b>Fund Cash Balances, December 31</b>	<u>\$ 2,392,580</u>	<u>\$ 977,330</u>	<u>\$ 3,369,910</u>

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

**MEDINA COUNTY PARK DISTRICT  
MEDINA COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2012**

	General	Capital Projects	Totals (Memorandum Only)
<b>Cash Receipts</b>			
Property Taxes	\$ 2,701,462	\$ -	\$ 2,701,462
Intergovernmental	377,596	434,362	811,958
Earnings on Investments	14,929	10,793	25,722
Sales	7,476	-	7,476
Fees	104,142	-	104,142
Gifts and Donations	7,481	827,575	835,056
Other Receipts	408,649	21,225	429,874
<i>Total Cash Receipts</i>	<u>3,621,735</u>	<u>1,293,955</u>	<u>4,915,690</u>
<b>Cash Disbursements</b>			
Current:			
Salaries	1,112,875	-	1,112,875
Workers' Compensation	11,250	-	11,250
Public Employees Retirement System	159,240	-	159,240
Medicare	15,873	-	15,873
Hospitalization	158,815	-	158,815
Supplies	11,140	3,370	14,510
Material	68,510	69,186	137,696
Equipment	85,376	2,755	88,131
Equipment - Rental	3,239	1,428	4,667
Contracts - Repair	4,182	-	4,182
Contracts - Services	118,354	1,816,040	1,934,394
Advertising and Printing	37,461	1,570	39,031
Gasoline/Travel	48,866	-	48,866
Other	127,712	-	127,712
Capital Outlay	352,298	-	352,298
Debt Service:			
Principal Retirement	654,974	163,744	818,718
Interest and Fiscal Charges	61,870	15,467	77,337
<i>Total Cash Disbursements</i>	<u>3,032,035</u>	<u>2,073,560</u>	<u>5,105,595</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	589,700	(779,605)	(189,905)
<b>Other Financing Receipts (Disbursements)</b>			
Transfers In	-	670,000	670,000
Transfers Out	(670,000)	-	(670,000)
Advances In	45,000	-	45,000
Advances Out	-	(45,000)	(45,000)
Refunds	261	-	261
Reimbursement	447	4,923	5,370
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(624,292)</u>	<u>629,923</u>	<u>5,631</u>
<i>Net Change in Fund Cash Balances</i>	(34,592)	(149,682)	(184,274)
<i>Fund Cash Balances, January 1</i>	<u>2,579,572</u>	<u>1,852,236</u>	<u>4,431,808</u>
<b>Fund Cash Balances</b>			
Restricted	-	63,240	63,240
Committed	1,774,877	1,639,314	3,414,191
Assigned	19,828	-	19,828
Unassigned	750,275	-	750,275
<b>Fund Cash Balances, December 31</b>	<u>\$ 2,544,980</u>	<u>\$ 1,702,554</u>	<u>\$ 4,247,534</u>

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

**MEDINA COUNTY PARK DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012**

**1. Summary of Significant Accounting Policies**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Medina County Park District, Medina County, Ohio, (the District) as a body corporate and politic. The probate judge of the Medina 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 same as the Board deems conducive to the general welfare.

The District is a member of the North Coast Regional Council of Park District (the Council). Note 8 to the financial statements provides additional information for the entity.

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

**B. 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.

**C. Deposits and Investments**

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

**D. 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:

**1. General Fund**

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

**MEDINA COUNTY PARK DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)**

**1. Summary of Significant Accounting Policies**

**D. Fund Accounting (Continued)**

**2. Capital Project Funds**

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The District had the following significant capital project funds:

Major Park Development Fund – The Major Park Development Fund accounts for financial resources that are used for the capital development of the park facilities.

Allardale Park Development Fund – The Allardale Park Development Fund accounts for financial resources that are used for the development, maintenance, and upkeep of the Allardale Park.

**E. Budgetary Process**

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

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the object level of control and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Appropriations lapse at year end.

**2. Estimated Resources**

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

**3. 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 2013 and 2012 budgetary activity appears in Note 2.

**F. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**1. Nonspendable**

The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

**MEDINA COUNTY PARK DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)**

**1. Summary of Significant Accounting Policies (Continued)**

**F. Fund Balance (Continued)**

**2. Restricted**

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

**3. Committed**

Commissioners can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Commissioners amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**4. Assigned**

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by District Commissioners or a District official delegated that authority by resolution, or by State Statute.

**5. Unassigned**

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

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**G. 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.

**H. 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.

**MEDINA COUNTY PARK DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)**

**2. Budgetary Activity**

Budgetary activity for the years ending December 31, 2013 and 2012 follows:

2013 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$5,078,000	\$3,854,222	(\$1,223,778)
Capital Projects	1,055,700	893,935	(161,765)
Total	\$6,133,700	\$4,748,157	(\$1,385,543)

2013 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$5,338,001	\$4,039,782	\$1,298,219
Capital Projects	2,635,720	1,636,613	999,107
Total	\$7,973,721	\$5,676,395	\$2,297,326

2012 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$4,394,950	\$3,667,443	(\$727,507)
Capital Projects	1,973,714	1,968,878	(4,836)
Total	\$6,368,664	\$5,636,321	(\$732,343)

2012 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$5,337,776	\$3,721,863	\$1,615,913
Capital Projects	3,718,435	2,545,219	1,173,216
Total	\$9,056,211	\$6,267,082	\$2,789,129

**3. Property Tax**

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable 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.

**MEDINA COUNTY PARK DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)**

**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. Debt**

Debt outstanding at December 31, 2013 was as follows:

	Principal	Interest Rate
Park Improvement Refunding Bond Series 2011	\$1,739,986	2.46%
Total	\$1,739,986	

On February 17, 2011, the District refunded the Park Improvement Bonds Series 2008 for \$4,000,000 at the rate of 2.46% and maturity dates from 2013 through 2014. All of the bonds were called and the outstanding balance of the prior debt is zero. The new bonds are being repaid over 4 years.

Amortization of the above debt, including interest, is scheduled as follows:

	Park Improvement
Year ending December 31:	
2014	\$ 896,055
2015	893,000
Total	\$ 1,789,055

**5. Retirement System**

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

The Ohio Revised Code also prescribes contribution rates. For 2013 and 2012, OPERS members contributed 10% of their gross salaries and the District contributed an amount equaling 14% of participants' gross salaries. The District has paid all contributions required through December 31, 2013.

**MEDINA COUNTY PARK DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)**

**6. Risk Management**

**Risk Pool Membership**

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

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

The District 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. York Risk Pooling Services, Inc. (formerly known as American Risk Pooling Consultants, Inc.), functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. 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 and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2012, PEP retained \$350,000 for casualty claims and \$150,000 for property claims.

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

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, 2012 and 2011 (the latest information available):

	2012	2011
Assets	\$34,389,569	\$33,362,404
Liabilities	(14,208,353)	(14,187,273)
Net Position	\$20,181,216	\$19,175,131

At December 31, 2012 and 2011, respectively, the liabilities above include approximately \$13.1 million and \$13.0 million of estimated incurred claims payable. The assets above also include approximately \$12.6 million and \$12.1 million of unpaid claims to be billed to approximately 466 and 455 member governments in the future, as of December 31, 2012 and 2011, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2012, the District's share of these unpaid claims collectible in future years is approximately \$53,984.



**MEDINA COUNTY PARK DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)**

**6. Risk Management (Continued)**

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.

<u>Contributions to PEP</u>	
<u>2012</u>	<u>2011</u>
\$58,450	\$55,561

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. 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.

**7. Contingent Liabilities/Subsequent Events**

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

Management believes there are no pending claims or lawsuits.

**8. Jointly Governed Organization**

The District is a member of the North Coast Regional Council of Park Districts (the Council). The Council is a jointly governed organization comprised of four of metropolitan park districts, and was formed for the purpose of promoting wetland and stream restoration projects. Each member provided the Council with an initial administrative fee and will pay continual fees to the Council equal to 1% of the wetland mitigation fees they collect.

The Council is under the direction of a Board comprised of two representatives from each member metropolitan park district. The Treasurer of the Lorain County Metropolitan Park District is the fiscal agent for the Council. The degree of control exercised by members is limited to their representation on the Board. Financial information can be obtained by contacting the Treasurer of the Lorain County Metropolitan Park District at 12882 Diagonal Road, LaGrange, Ohio 44050.

**MEDINA COUNTY PARK DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)**

**9. Cleveland Hopkins Mitigation**

The City of Cleveland was required to set aside money for the restoration of wetlands and streams as a result of a penalty assessed against the City related to Cleveland Hopkins Airport. A portion of this money was assigned to the District to be used for the Hidden Hollow Stream Restoration Project. The amount allocated to this project was approximately \$5,200,000, and was deposited with the North Coast Regional Council of Park Districts (the Council). All debt and additional costs for this project are to be paid by the North Coast Regional Council of Park Districts on behalf of the District. There were no costs in addition to debt that was paid on behalf of the District by the North Coast Regional Council of Park Districts. The project has been completed, and the remaining balance of funds will be held by the Council for future maintenance needs of the project.

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***Charles E. Harris & Associates, Inc.***  
*Certified Public Accountants*

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

Medina County Park District  
Medina County  
6364 Deerview Lane  
Medina, Ohio 44256

To the Board of Commissioners:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Medina County Park District, Medina County, (the District) as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements, and have issued our report thereon dated June 20, 2014, wherein we noted the District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permit.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the District 's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the District 's internal control. Accordingly, we have not opined on it.

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

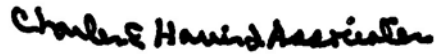
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies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

***Compliance and Other Matters***

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CHARLES E. HARRIS & ASSOCIATES, INC.**

June 20, 2014

**MEDINA COUNTY PARK DISTRICT  
MEDINA COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2013 AND 2012**

FINDING NUMBER	FUNDING SUMMARY	FULLY CORRECTED?	Not Corrected. Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2011-MCPD-01	Bond proceeds recorded incorrectly.	Yes	Finding No Longer Valid

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# Dave Yost • Auditor of State

**MEDINA COUNTY PARK DISTRICT**

**MEDINA 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  
AUGUST 5, 2014**