

***SUMMIT METRO PARKS***

***SUMMIT COUNTY***

Single Audit

For the Year Ended December 31, 2021







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Board of Park 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, 2021 through December 31, 2021. 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

August 23, 2022

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**Summit Metro Parks**  
**Summit County**  
*For the Year Ended December 31, 2021*

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

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**INDEPENDENT AUDITOR'S REPORT**

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

To the Board of Park Commissioners:

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

***Opinion***

We have audited the cash basis financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Summit Metro Parks, Summit County, Ohio (the Park District), as of and for the year ended December 31, 2021 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, the major fund, and the aggregate remaining fund information of the Summit Metro Parks, as of December 31, 2021, and the respective changes in cash basis financial position thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with the cash basis of accounting described in Note 2.

***Basis for Opinion***

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 opinion.

***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.

***Emphasis of Matter***

As discussed in Note 11 to the financial statements, the financial impact of COVID-19 and ensuing emergency measures will impact subsequent periods of the Park District. We did not modify our opinion regarding 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 opinion. 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.

### ***Supplementary Information***

Our audit was conducted to opine on the financial statements as a whole that collectively comprise the Park District's basic financial statements.

The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied to the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2022, 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 E. Harris & Associates, Inc.  
June 29, 2022

**Summit Metro Parks**  
**Summit County**  
Statement of Net Position - Cash Basis  
December 31, 2021

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in pooled cash and cash equivalents w/fiscal agent	<u>\$ 10,441,054</u>
Total assets	<u>10,441,054</u>
<b>Net Position</b>	
Restricted for:	
Capital projects	586,425
Unrestricted	<u>9,854,629</u>
Total net position	<u><u>\$ 10,441,054</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, 2021

	<u>Program Cash Receipts</u>				<u>Net (Cash Disbursements) Cash Receipts and Changes in Net Position</u>
	<u>Cash Disbursements</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants Contributions and Interest</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
<b>Governmental Activities</b>					
Conservation/recreation	\$ 15,582,697	\$ 543,635	\$ 857,418	\$ -	\$ (14,181,644)
Capital outlay	<u>4,215,506</u>	<u>8,342</u>	<u>-</u>	<u>1,710,776</u>	<u>(2,496,388)</u>
Total governmental activities	<u>19,798,203</u>	<u>551,977</u>	<u>857,418</u>	<u>1,710,776</u>	<u>(16,678,032)</u>
Total government	<u>\$ 19,798,203</u>	<u>\$ 551,977</u>	<u>\$ 857,418</u>	<u>\$ 1,710,776</u>	<u>(16,678,032)</u>
<b>General Receipts</b>					
Property taxes levied for:					
					15,007,930
					1,803,749
					333,660
					70,878
					<u>280,736</u>
					<u>17,496,953</u>
					818,921
					9,622,133
					<u>\$ 10,441,054</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, 2021

	General	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Equity in pooled cash and cash equivalents w/fisc:	\$ 9,782,819	\$ 586,425	\$ 10,369,244
Total assets	\$ 9,782,819	\$ 586,425	\$ 10,369,244
<b>Fund Balances</b>			
Restricted	-	586,425	586,425
Unassigned	9,782,819	-	9,782,819
Total fund balances	\$ 9,782,819	\$ 586,425	\$ 10,369,244

*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, 2021

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Total Governmental Fund Balances	\$ 10,369,244
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>71,810</u>
Net Position of Governmental Activities	<u><u>\$10,441,054</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, 2021

	General	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>			
Property and other local taxes	\$ 15,007,930	\$ -	\$ 15,007,930
Charges for services	424,729	-	424,729
Fines, licenses and permits	1,263	-	1,263
Intergovernmental	2,652,135	1,710,777	4,362,912
Earnings on investments	70,878	-	70,878
Donations	9,033	-	9,033
Merchandise sales	93,531	-	93,531
Royalties revenue	-	8,342	8,342
Rental income	8,892	-	8,892
Miscellaneous	295,956	-	295,956
<b>Total receipts</b>	<b>18,564,347</b>	<b>1,719,119</b>	<b>20,283,466</b>
<b>Disbursements</b>			
Current:			
Employee wages and benefits	9,893,065	-	9,893,065
Supplies, materials and services	3,048,434	-	3,048,434
Other expenses	855,682	-	855,682
Healthcare	1,717,610	-	1,717,610
Capital outlay:			
Equipment	197,580	-	197,580
Development	2,261,700	-	2,261,700
Land purchase	367,046	-	367,046
Projects	-	1,389,180	1,389,180
<b>Total disbursements</b>	<b>18,341,117</b>	<b>1,389,180</b>	<b>19,730,297</b>
Excess of receipts over (under) disbursements	223,230	329,939	553,169
<b>Other financing sources (uses)</b>			
Sale of capital assets	333,660	-	333,660
Transfers out	(80,000)	-	(80,000)
Advances in	2,125,824	808,687	2,934,511
Advances out	(808,688)	(2,125,822)	(2,934,510)
<b>Total other financing sources (uses)</b>	<b>1,570,796</b>	<b>(1,317,135)</b>	<b>253,661</b>
Net change in fund balance	1,794,026	(987,196)	806,830
Fund balances beginning of year	7,988,793	1,573,621	9,562,414
Fund balances end of year	<u>\$ 9,782,819</u>	<u>\$ 586,425</u>	<u>\$ 10,369,244</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 Fiscal Year Ended December 31, 2021

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Net Change in Fund Balances - Total Governmental Funds	\$ 806,830
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>12,092</u>
Change in Net Position of Governmental Activities	<u><u>\$818,922</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, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Property and other local taxes	\$ 15,023,860	\$ 14,993,711	\$ 15,007,930	\$ 14,219
Charges for services	113,455	113,455	424,729	311,274
Fines, licenses and permits	337	337	1,263	926
Intergovernmental	2,508,446	2,508,446	2,652,135	143,689
Earnings on investments	18,933	18,933	70,878	51,945
Donations	2,413	2,413	9,033	6,620
Merchandise sales	24,984	24,984	93,531	68,547
Rental income	2,375	2,375	8,892	6,517
Miscellaneous	79,057	79,057	295,956	216,899
Total receipts	<u>17,773,860</u>	<u>17,743,711</u>	<u>18,564,347</u>	<u>820,636</u>
<b>Disbursements</b>				
Current:				
Employee wages and benefits	11,474,634	11,421,246	9,893,065	1,528,181
Supplies, materials and services	4,793,075	5,194,090	3,048,434	2,145,656
Other expenses	991,000	1,258,825	855,681	403,144
Healthcare	1,900,000	2,000,000	1,717,610	282,390
Equipment	362,000	376,000	197,580	178,420
Development	4,865,000	4,015,000	2,261,700	1,753,300
Land purchase	2,335,000	2,335,000	367,046	1,967,954
Total disbursements	<u>26,720,709</u>	<u>26,600,161</u>	<u>18,341,116</u>	<u>8,259,045</u>
Excess of receipts over (under) disbursements	(8,946,849)	(8,856,450)	223,231	9,079,681
<b>Other financing sources (uses)</b>				
Sale of capital assets	-	-	333,660	333,660
Transfers out	(80,000)	(80,000)	(80,000)	-
Advances in	2,071,258	2,071,258	2,125,823	54,565
Advances out	-	-	(808,688)	(808,688)
Total other financing sources (uses)	<u>1,991,258</u>	<u>1,991,258</u>	<u>1,570,795</u>	<u>(420,463)</u>
Net change in fund balance	(6,955,591)	(6,865,192)	1,794,026	8,659,218
Fund balance at beginning of year	<u>7,988,793</u>	<u>7,988,793</u>	<u>7,988,793</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,033,202</u>	<u>\$ 1,123,601</u>	<u>\$ 9,782,819</u>	<u>\$ 8,659,218</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, 2021

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	<u>Internal Service</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 71,810
<b>Net Position</b>	
Unrestricted	<u>71,810</u>
Total Net Position	<u>\$ 71,810</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, 2021

	Internal Service
<b>Operating cash disbursements</b>	
Claims	58,537
Other	9,371
Total operating cash disbursements	67,908
Operating Loss	(67,908)
<b>Other financing sources</b>	
Transfers in	80,000
Change in net position	12,092
Net position at beginning of year	59,718
Net position at end of year	\$ 71,810

*See accompanying notes to the financial statements.*

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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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 2021, five Commissioners served on the Foundation's Board. The Foundation has unaudited receipts of \$369,610, unaudited expenditures of \$983,040 and an unaudited fund balance of \$7,617,389.

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, 2021*

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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.

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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

**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 \$10,441,054.

***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, 2021*

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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.

***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**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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

***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 2021 for real and public utility property taxes represents collections of 2020 taxes.

2021 real property taxes are levied after October 1, 2021 on the assessed value as of January 1, 2021 the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2021 real property taxes are collected in and intended to finance 2022. 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. 2021 public utility property taxes became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2022 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.

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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

The full tax rate for all Park District operations for the year ended December 31, 2021 was \$1.46 per \$1,000 of assessed value. The assessed values of real and public utility tangible personal property upon which 2021 property tax receipts were based are as follows:

Property Category	2021 Assessed Value
<u>Real Property</u>	
Residential and agricultural	\$ 10,174,978,910
Other	3,002,927,910
 <u>Tangible Personal Property</u>	
Public utilities	627,624,720
Total	\$ 13,805,531,540

**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 restricted, committed, or 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. Outstanding advances at December 31, 2021 consisted of the following:

Fund	Advance To	Advance From
General fund	\$ -	\$ 2,187,449
Nonmajor governmental funds	2,187,449	-
Total	\$ 2,187,449	\$ 2,187,449

As of December 30, 2021, 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, 2021*

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

During 2021, the following transfers were made:

Transfers from general fund to:	
Internal service fund	\$ 80,000

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, 2021*

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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 2021, member and employer contribution rates were consistent across all three plans. For 2021, 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 2021.

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, 2021*

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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, 2021*

**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:

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
<b>2021 Statutory Maximum Contribution Rates</b>			
Employer	14.0%	18.1%	18.1%
Employee *	10.0%	**	***
<b>2021 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	<u>14.0%</u>	<u>18.1%</u>	<u>18.1%</u>
Employee	<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 the 2% 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% for health care with the remainder going to pension.

**Summit Metro Parks**  
Summit County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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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, 2021 was \$1,244,245. 100% has been contributed for 2021.

**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 2021, 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, 2021*

**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 2021, 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 2021 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 2021.

**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:

2021 Fund Balances	General	Other Governmental Funds	Total Governmental Funds
<u>Restricted for</u>			
Land Purchase or Park Maintenance	\$ -	\$ 98,947	\$ 98,947
Valley View Restoration	-	441,698	441,698
OECA Towpath	-	16,020	16,020
Clean Ohio	-	29,760	29,760
Total restricted	-	586,425	586,425
Unassigned	9,782,819	-	9,782,819
Total fund balances	\$9,782,819	\$ 586,425	\$10,369,244

**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 continues. 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.

**SUMMIT METRO PARKS  
SUMMIT COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

<b>FEDERAL GRANTOR</b>	Federal ALN #	Total Federal Expenditures
<b>U.S. Department of Commerce</b>		
Passed Through National Oceanic & Atmospheric Administration To Great Lakes Commission Habitat Restoration Project	11.463	\$ 86,641
<b>U.S. Department of Homeland Security</b>		
Passed Through Federal Emergency Management Agency to Ohio Emergency Management Agency Hazard Mitigation Grant Program	97.039	793,688
<b>U.S. Department of Interior</b>		
Passed Through National Park Service to Ohio & Erie Canalway Association Ohio & Erie Canalway National Heritage Area Grants	15.939	<u>48,980</u>
<b>Total Federal Financial Assistance</b>		<u><u>\$ 929,309</u></u>

**SUMMIT METRO PARKS  
SUMMIT COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
PREPARED BY MANAGEMENT  
2 CFR 200.510(B)(6)  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note A – Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Summit Metro Parks (the Park District) under programs of the federal government for the year ended December 31, 2021. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Park District, it is not intended to and does not present the financial position or changes in net position of the Park District.

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

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**Note C – Indirect Cost Rate**

The Park District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note D - Matching Requirements**

Certain Federal programs require the Park District to contribute Non-Federal funds (matching funds) to support the Federally funded programs. The Park District has met its matching requirements. The Schedule does not include the expenditure of Non-Federal matching funds.



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**INDEPENDENT AUDITOR'S 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**

Summit Metro Parks  
Summit County  
975 Treaty Line Rd  
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, the cash-basis financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Summit Metro Parks, Summit County, Ohio (the Park District), as of and for the year ended December 31, 2021, 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 29, 2022, wherein we noted the Park District uses a special purpose framework other than general accepted accounting principles. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Park District.

***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) to determine the audit procedures that are appropriate in the circumstances 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 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 have not been identified.

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

As part of obtaining reasonable assurance about whether 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 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 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 29, 2022

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

*Certified Public Accountants*

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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

To the Board of Park Commissioners:

***Report on Compliance for the Major Federal Program***

We have audited the Summit Metro Parks (the Park District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the Summit Metro Parks's major federal program for the year ended December 31, 2021. The Park District's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings.

In our opinion, the Summit Metro Parks complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2021.

***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Park District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Park District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

The Park District's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Park District's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Park District's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Park District's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 Park District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Park District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Park District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Report on Internal Control Over Compliance***

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

*Summit Metro Parks*

*Summit County*

Independent Auditor's Report on Compliance with Requirements

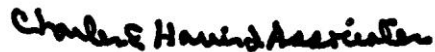
Applicable to the Major Federal Program and on Internal Control Over  
Compliance Required by the Uniform Guidance

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Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



*Charles E. Harris & Associates, Inc.*

June 29, 2022

**SUMMIT METRO PARKS  
SUMMIT COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
December 31, 2021**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	Unmodified
<i>(d)(1)(ii)</i>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(ii)</i>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iii)</i>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<i>(d)(1)(vi)</i>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	No
<i>(d)(1)(vii)</i>	<b>Major Programs (list):</b>	Federal Emergency Agency – Hazard Mitigation Grant Program – ALN # 97.039
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee under 2 CFR §200.520?</b>	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

**3. FINDINGS FOR FEDERAL AWARDS**

None.

# 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 9/6/2022**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)