

MIAMI COUNTY PARK DISTRICT
FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009



Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditors' Report* of the Miami County Park District, Miami County, prepared by Duvall & Associates, Inc., for the audit period January 1, 2009 through December 31, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

September 28, 2011

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the Miami County Park District (the District), as of and for the years ended December 31, 2010 and 2009 as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on the financial statements based on our audit.

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

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

Instead of the combined funds the accompanying financial statements present for 2010 and 2009, GAAP requires presenting entity wide statements and also presenting the District's larger (i.e. major) funds separately. While the District does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State of Ohio permits, but does not require the District to reformat their statements. The District has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply that the amounts reported as materially misstated under the accounting basis the Auditor of State of Ohio permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the following second paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2010 and 2009 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2010 and 2009, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Miami County Park District, as of December 31, 2010 and 2009, and its combined cash receipts and disbursements for the years then ended on the accounting basis described in Note 1.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2011, 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. While we did not opine on the internal control over financial reporting on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. It should be read in conjunction with this report in assessing the results of our audit.

Duvall & Associates, Inc.

Duvall & Associates, Inc.

June 14, 2011

MIAMI COUNTY PARK DISTRICT
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
 CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 2010

	Governmental Fund Type		Totals (Memorandum Only)
	General	Special Revenue	
CASH RECEIPTS:			
Real Estate Property Tax	\$ 2,070,206	\$ -	\$ 2,070,206
Personal Property Tax	4,166	-	4,166
Grants	9,782	28,493	38,275
Intergovernmental Revenue	652,488	-	652,488
Investment Income	3,007	-	3,007
Gifts and Donations	77,514	-	77,514
Fees	5,230	-	5,230
Sales	133,834	-	133,834
Devises and Bequests	-	-	-
Other Receipts	204,192	-	204,192
Total Cash Receipts	<u>3,160,419</u>	<u>28,493</u>	<u>3,188,912</u>
CASH DISBURSEMENTS:			
Salaries	1,016,718	-	1,016,718
Supplies	139,055	-	139,055
Equipment	145,620	-	145,620
Contracts - Repair	169,543	-	169,543
Contracts - Services	567,215	-	567,215
Grants	13,961	28,675	42,636
Rentals	40,677	-	40,677
Advertising and Printing	8,569	-	8,569
Travel	12,612	-	12,612
Public Employee Retirement	145,431	-	145,431
Workers' Compensation	16,597	-	16,597
Unemployment Compensation	240	-	240
Other	414,837	-	414,837
Total Cash Disbursements	<u>2,691,075</u>	<u>28,675</u>	<u>2,719,750</u>
TOTAL RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>469,344</u>	<u>(182)</u>	<u>469,162</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS.

MIAMI COUNTY PARK DISTRICT
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
 CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Governmental Fund Type</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
OTHER FINANCING RECEIPTS (DISBURSEMENTS):			
Proceeds from Sale of Stock	\$ -	\$ -	\$ -
Transfers - In	-	-	-
Advances - In	-	-	-
Transfers - Out	-	-	-
Advances - Out	-	-	-
Other Sources	-	-	-
Total Other Financing Receipts (Disbursements)	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF CASH RECEIPTS AND OTHER FINANCING RECEIPTS OVER (UNDER) CASH DISBURSEMENTS AND OTHER FINANCING DISBURSEMENTS	469,344	(182)	469,162
FUND CASH BALANCES, JANUARY 1	<u>2,909,824</u>	<u>213,825</u>	<u>3,123,649</u>
FUND CASH BALANCES, DECEMBER 31	<u>\$ 3,379,168</u>	<u>\$ 213,643</u>	<u>\$ 3,592,811</u>
RESERVES FOR ENCUMBRANCES, DECEMBER 31	<u>\$ 180,722</u>	<u>\$ 199,551</u>	<u>\$ 380,273</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS.

MIAMI COUNTY PARK DISTRICT
 COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
 CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Governmental Fund Type</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
CASH RECEIPTS:			
Real Estate Property Tax	\$ 1,683,190	\$ -	\$ 1,683,190
Personal Property Tax	12,740	-	12,740
Grants	40,467	11,478	51,945
Intergovernmental Revenue	883,768	-	883,768
Investment Income	11,870	-	11,870
Gifts and Donations	268,090	-	268,090
Fees	500	-	500
Sales	50,014	-	50,014
Devises and Bequests	-	-	-
Other Receipts	29,569	-	29,569
Total Cash Receipts	<u>2,980,208</u>	<u>11,478</u>	<u>2,991,686</u>
CASH DISBURSEMENTS:			
Salaries	1,002,546	-	1,002,546
Supplies	116,203	-	116,203
Equipment	298,568	-	298,568
Contracts - Repair	68,511	-	68,511
Contracts - Services	881,365	-	881,365
Grants	19,739	9,793	29,532
Rentals	34,081	-	34,081
Advertising and Printing	9,571	-	9,571
Travel	11,557	-	11,557
Public Employee Retirement	138,506	-	138,506
Workers' Compensation	14,291	-	14,291
Unemployment Compensation	-	-	-
Other	389,958	-	389,958
Total Cash Disbursements	<u>2,984,896</u>	<u>9,793</u>	<u>2,994,689</u>
TOTAL RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(4,688)</u>	<u>1,685</u>	<u>(3,003)</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS.

MIAMI COUNTY PARK DISTRICT
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Governmental Fund Type</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
OTHER FINANCING RECEIPTS (DISBURSEMENTS):			
Proceeds from Sale of Stock	-	-	-
Transfers - In	-	-	-
Advances - In	-	-	-
Transfers - Out	-	-	-
Advances - Out	-	-	-
Other Sources	-	-	-
Total Other Financing Receipts (Disbursements)	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF CASH RECEIPTS AND FINANCING RECEIPTS OVER (UNDER) CASH DISBURSEMENTS AND OTHER FINANCING DISBURSEMENTS	(4,688)	1,685	(3,003)
FUND CASH BALANCES, JANUARY 1	<u>2,914,512</u>	<u>212,140</u>	<u>3,126,652</u>
FUND CASH BALANCES, DECEMBER 31	<u><u>\$ 2,909,824</u></u>	<u><u>\$ 213,825</u></u>	<u><u>\$ 3,123,649</u></u>
RESERVES FOR ENCUMBRANCES, DECEMBER 31	<u><u>\$ 337,772</u></u>	<u><u>\$ 833</u></u>	<u><u>\$ 338,605</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS.

MIAMI COUNTY PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Entity

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

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

Accounting Basis

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

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

Cash and Investments

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

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

Fund Accounting

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

MIAMI COUNTY PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting

a) General Fund

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

b) Special Revenue Funds

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

i) Land and Water Conservation Fund -

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

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

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

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

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

Budgetary Process:

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

a) Appropriations

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

b) Estimated Resources

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

MIAMI COUNTY PARK DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2010 AND 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Process

c) Encumbrances:

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

A summary of 2010 and 2009 budgetary activity appears in Note 2.

Property, Plant, and Equipment

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

Accumulated Leave

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

2. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2010 and 2009 follows:

2010 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 2,965,097	\$ 3,160,419	\$ 195,322
Special Revenue	5,595	28,493	22,898
Total	<u>\$ 2,970,692</u>	<u>\$ 3,188,912</u>	<u>\$ 218,220</u>

2010 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 3,697,349	\$ 2,691,075	\$ 1,006,274
Special Revenue	18,062	28,675	(10,613)
Total	<u>\$ 3,715,411</u>	<u>\$ 2,719,750</u>	<u>\$ 995,661</u>

MIAMI COUNTY PARK DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2010 AND 2009

2. BUDGETARY ACTIVITY (Continued)

2009 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 2,661,822	\$ 2,980,208	\$ 318,386
Special Revenue	14,944	11,478	(3,466)
Total	<u>\$ 2,676,766</u>	<u>\$ 2,991,686</u>	<u>\$ 314,920</u>

2009 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 3,311,888	\$ 2,984,896	\$ 326,992
Special Revenue	17,635	9,793	7,842
Total	<u>\$ 3,329,523</u>	<u>\$ 2,994,689</u>	<u>\$ 334,834</u>

3. PROPERTY TAX

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

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

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

MIAMI COUNTY PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009

3. PROPERTY TAX (Continued)

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

4. RETIREMENT SYSTEMS

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

The Ohio Revised Code also prescribes 10% contribution rates. For 2010 and 2009, OPERS members contributed 10% of their gross salaries and the District contributed an amount equaling 14% in 2009 and 2010 of participants' gross salaries. The District has paid all contributions required through December 31, 2010.

5. RISK MANAGEMENT

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

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

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

Casualty Insurance

For occurrences prior to January 1, 2006, PEP retains casualty risks up to \$250,000 per claim, including loss adjustment expenses. PEP pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000 and provides up to \$1,750,000 per claim.

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

MIAMI COUNTY PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009

5. RISK MANAGEMENT (Continued)

Casualty Insurance

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

Property Insurance

Prior to January 1, 2009, Travelers reinsured specific losses exceeding \$250,000, and provided up to \$600,000,000 per occurrence. APEEP reinsures members for a specific loss exceeding \$100,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined PEP members' total insurable values. If the stop loss is reached by payment of losses between \$100,000 and \$250,000, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600,000,000 per occurrence limit.

On or after January 1, 2009, Travelers reinsures specific losses exceeding \$250,000, and provides up to \$600,000,000 per occurrence. APEEP reinsures members for a specific loss exceeding \$150,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined PEP members' total insurable values. If the stop loss is reached by payment of losses between \$150,000 and \$500,000, Travelers will reinsure specific losses exceeding \$150,000 up to their \$600,000,000 per occurrence limit.

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

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, 2010 and 2009 (the latest information available):

MIAMI COUNTY PARK DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2010 AND 2009

5. RISK MANAGEMENT (Continued)

	<u>2010</u>	<u>2009</u>
Assets	\$ 34,952,010	\$ 36,374,898
Liabilities	<u>(14,320,812)</u>	<u>(15,256,862)</u>
Net Assets - Unrestricted	<u>\$ 20,631,198</u>	<u>\$ 21,118,036</u>
 # of members	 454	 447
 Unpaid claims to be billed in the future	 Approx. \$12.4 million	 Approx. \$13.7 million

The Casualty Coverage assets and retained earnings above include approximately \$12.4 million of unpaid claims to be billed to approximately 454 member governments in the future, as of December 31, 2010. PEP will collect these amounts in future annual premium billings when PEP'S related liabilities are due for payment. The District's share of these unpaid claims is \$99,140.

The Pool uses reinsurance and excess risk-sharing arrangements to reduce its exposure to loss. These agreements permit recovery of a portion of its claims from reinsurers and a risk-sharing pool; however, they do not discharge the Pool's primary liability for such payments. The Pool is a member of American Public Entity Excess Pool ("APEEP"), which is also administered by ARPCO. APEEP provides the Pool with an excess risk-sharing program. Under this arrangement, the Pool retains insured risks up to an amount specified in the contracts. (At December 31, 2010 the Pool retained \$350,000 for casualty claims and \$150,000 for property claims). The Board of Directors and ARPCO periodically review the financial strength of the Pool and other market conditions to determine the appropriate level of risk the Pool will retain.

MIAMI COUNTY PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009

5. 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.

Contributions to PEP

2008	\$42,491
2009	\$46,388
2010	\$45,392

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



DUVALL & ASSOCIATES, INC.

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

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

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

To the Board of Park Commissioners:

We have audited the financial statements of the Miami County Park District, (the District) as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated June 14, 2011, wherein we noted the District prepared its financial statements using accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control over Financial Reporting

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

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 more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

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, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Duvall & Associates, Inc.

Duvall & Associates, Inc.

June 14, 2011

MIAMI COUNTY PARK DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2010 AND 2009

NO CURRENT FINDINGS

MIAMI COUNTY PARK DISTRICT
 SCHEDULE OF PRIOR FINDINGS
 DECEMBER 31, 2010 AND 2009

Finding Number	Finding Summary	Fully Corrected?	Note Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; EXPLAIN
2008-01	Ohio Rev Code 121.22 Minutes should reflect general subject matter of discussions in executive sessions	YES	



Dave Yost • Auditor of State

MIAMI COUNTY PARK DISTRICT

MIAMI COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
OCTOBER 11, 2011**