

HAMILTON COUNTY PARK DISTRICT
CINCINNATI, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2004
Prepared by the Administration Division

JACK L. SUTTON
Director

NANCY S. MONTAGUE
Administration Director

DONALD A. RUDLER
Treasurer



**Auditor of State
Betty Montgomery**

Board of Park Commissioners
Hamilton Park District
10245 Winton Road
Cincinnati, Ohio 45231

We have reviewed the *Independent Accountant's Report* of the Hamilton Park District, Hamilton County, prepared by BKD LLP, for the audit period January 1, 2004 through December 31, 2004. 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 Hamilton Park District is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

July 21, 2005

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**HAMILTON COUNTY PARK DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2003**

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**INTRODUCTORY
SECTION**

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10245 Winton Road • Cincinnati, Ohio 45231
(513) 521-PARK (7275) • www.greatparks.org
Board of Park Commissioners:
NANCY R. HAMANT • ROBERT A. GOERING • JAMES E. BUSHMAN
Director JACK SUTTON

May 11, 2005

TO: THE CITIZENS OF HAMILTON COUNTY AND
THE BOARD OF PARK COMMISSIONERS, OF THE
HAMILTON COUNTY PARK DISTRICT

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the Hamilton County Park District (hereafter, also referred to as the “Park District”). This report conforms to Accounting Principles Generally Accepted in the United States of America (GAAP) in accordance with implementation of Government Accounting Standards Board (GASB) Statement No. 34 and provides full and complete disclosure of the financial position and operations of the Park District for the year ended December 31, 2004. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Park District management. To the best of our knowledge, the following data is accurate in all material respects and is reported in a manner designed to fairly present the financial position of the entity as a whole and results of operations of the various funds of the Park District. All necessary financial disclosures have been included to enable the reader to gain an understanding of the Park District’s financial activities.

Report Presentation

Financial statements of governmental organizations differ somewhat from the statements prepared for profit-oriented organizations in that governmental organizations prepare statements on a fund basis. In governmental accounting, the term “fund” is used to identify a separate accounting entity with its own assets, liabilities, revenues and expenditures or expenses, as appropriate.

The Park District has established various funds to segregate activities in order to comply with legal requirements, to better facilitate management control, and to satisfy the requirements of GAAP. The presentation of this report and the financial statements contained herein are in conformance with principles established by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA) through its various pronouncements.

The CAFR is presented in three sections: Introductory, Financial and Statistical. The introductory section includes this transmittal letter, the Government Finance Officers Association (GFOA) Certificate of Achievement, our organizational chart, and a list of principal officials. The financial section includes the Report of Independent Accountants, Management’s Discussion and Analysis, the basic financial statements, notes, the required supplementary information, combining statements and the individual fund budget-to-actual schedules. GAAP requires that management provide a narrative introduction, overview, and analysis of the basic financial statements, the Management’s Discussion and Analysis. This letter of transmittal is designed to complement the Management’s Discussion and Analysis letter and should be read in conjunction with it. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

Reporting Entity

The Hamilton County Park District (Park District) was created in 1930 under authority of Chapter 1545 of the Ohio Revised Code for the purpose of protecting local natural resources and providing outdoor recreation. The Park District is governed by a three member Board of Park Commissioners, each of whom is appointed to three-year terms by the Probate Court Judge of Hamilton County and who serve without pay. The first Park Board took office on July 17, 1930.

The Board of Park Commissioners appoints a Director who is also the Chief Executive Officer. The Director is responsible for executing policy of the Park Board. Since 1930, the Park District has acquired and conserved over 15,100 acres of parkland and open space, including nineteen parks and nature preserves protected and 994 acres of conservative easements.

The Mission of the Hamilton County Park District is: *“To preserve and protect natural resources and to provide outdoor recreation and education in order to enhance the quality of life for present and future generations.”*

Since its creation in the early 1930’s, the Park District has relied on a combination of funding derived from self-generated earned income sources and voter approved tax levies to fulfill its Mission.

County Structure

The Park District’s base for its real estate tax levy revenue (approximately \$18 million) is Hamilton County. The County of Hamilton was named for the former Secretary of Treasury, Alexander Hamilton, and was created by proclamation of Arthur St. Clair, Governor of Northwest Territory, on January 2, 1790. The County was the second county-formed in the State of Ohio, with Cincinnati as the County seat. The County is situated in the extreme southwestern corner of the State and covers an area of 413 square miles. The County encompasses 49 municipalities, villages and townships, of which Cincinnati is the largest. The County is the third largest in the State of Ohio in terms of population (845,303). Located on the Ohio River, the County forms the core of the “Cincinnati Metropolitan Area,” which includes the counties of Hamilton, Warren, Clermont and Butler in Ohio, Dearborn and Ohio counties in Indiana and Kenton, Campbell, Gallatin, Grant, Pendleton and Boone across the river in Kentucky.

The County Auditor serves as both the chief financial officer for the County and the real property assessor for all political subdivisions within the County. The Auditor prepares the general tax list of the County, calculates the voted and unvoted tax rates for real estate and personal property and, once collected, distributes the tax receipts to the appropriate political subdivisions and agencies within the County. The collection and distribution of tax levy proceeds is the only service provided to the Park District.

Major Initiatives 2004

A new Par 3 golf course was constructed at Little Miami Golf Center. The new course will offer a new look and a more enjoyable course to golfers of all skill levels.

The Park Services Division opened the Highfield Discovery Garden at Glenwood Gardens. This is the only large scale interactive children's garden in the region. It proved to be a huge hit through the season with attendance topping 31,000. The project included final construction of the training facility, as well as remodeling the visitor's center and Natures Hike and a new rental facility, the Garden View Room.

The Volunteer Program completed 25 years of service. Talents of 578 volunteers donated 72,737 hours in 2004. This year the Marketing Department developed a two-for-one coupon campaign. Over a quarter million coupons were distributed to park visitors.

The Park District acquired 197 additional acres, bringing total acreage preserved and protected to 15,123.

The Belcan Corporation and the Park District worked together to develop a document that will be used to make educated decisions for short and long-term information technology systems and infrastructure needs for the Park District.

Another milestone accomplished during the year was the implementation of a multi-phase development plan for Fernbank Park. Under a partnership with the Cincinnati Park Board, the Park District will be developing and operating Fernbank Park. Phase I of Fernbank Park development was completed with new and improved roads, parking lots and trails. A restroom/playground complex was constructed. A large shelter was renovated and made into a reservable picnic area. Phase II of this park's development was designed and will be constructed in 2005.

Armleder Park is another park being developed under this partnership with the Cincinnati Park Board and includes the Cincinnati Recreation Commission. The Hamilton County Park District will be developing a road, parking lots, dog park, picnic area, canoe launch and trail system that will eventually connect with Lunken Playfields. The first phase of the Park District's development was designed in 2004 and will be constructed during 2005 and 2006.

Financial Information

The Park District's day-to-day accounting and budgetary records are maintained on a basis other than GAAP. For financial reporting purposes, the accounting records are converted to a modified accrual basis for all governmental funds and the accrual basis for proprietary and entity wide reporting. A further discussion of the two bases of accounting can be found in Note 1-E to the financial statements.

Budgetary appropriations for the operation of the Park District's divisions are established through the adoption of the annual Appropriation Resolution by the Board of Park Commissioners. Budgetary control is facilitated through the maintenance of an encumbrance system for purchase orders and through the use of the Park District's financial accounting system.

The Park District maintains budgetary control within the organizational unit and fund by not permitting expenditures and encumbrances to exceed appropriations. Various departments are subject to performance budget reviews. Funds appropriated may not be expended for purposes other than those designated in the Appropriation Resolution.

Items to be purchased costing under \$1,000 do not require a formal bid. Purchases over \$1,000 but under \$15,000 must have specifications prepared and be bid out. Purchases exceeding \$15,000 must be legally bid out under Ohio Revised Code Sections 307.86 through 307.92 or acquired through the State of Ohio purchasing program.

Services of an accountant, architect, attorney, physician, professional engineer, construction project manager, consultant, surveyor or appraiser do not have to be bid out.

Internal Controls

In developing and revising the Park District's accounting and reporting control system, management's consideration is given to the adequacy of internal controls to provide reasonable, but not absolute, assurance regarding:

- safeguarding assets against loss from unauthorized use or disposition.
- reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of a reasonable assurance recognizes that:

- the cost of a control should not exceed the benefits likely to be derived
- the evaluation of costs and benefits requires estimates and judgements by management.

All internal control evaluations occur within the above framework. The Park District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Initial responsibility for budgetary control rests with individual departments.

The Board of Park Commissioners and department heads receive a monthly report comparing budget and cash receipts and expenditures.

The Accounting Department conducts internal cash audits at park locations. During 2004, 116 such audits were performed. Bank reconciliations are completed by accounting personnel not authorized to sign checks.

Cash Management

The Park District's investment policy is based on Ohio Revised Code, Chapter 135. Policies are reviewed annually by independent auditors. The policy provided the foremost objective of safety of capital, followed by objectives of liquidity and return on investment.

The Treasurer utilizes cash management and forecasting techniques and procedures to provide for efficient and optimal use of the Park District's cash resources, as permitted by applicable State of Ohio law. Among the Park District's investments, the Park District participates in the State Treasurer's Investment Pool of Ohio (STAROHIO). The state-wide investment pool was established in January 1986 for governmental entities in Ohio and is administered by the Treasurer of the State of Ohio. In addition to STAROHIO, the Park District's Treasurer invests in short-term certificates of deposit. All the Park District's investments are in compliance with the Park District's investment policy as passed by the Board of Park Commissioners.

Cash resources of a majority of individual funds are combined to form a pool of cash and investments to maximize possible returns. Investment income is allocated to the General Fund, Mitchell Fund and other Funds as prescribed by Ohio law and Board policy.

Risk Management

The Park District provides training and safety equipment to its employees in order to control risks of injury. The Park District also maintains comprehensive coverage from private insurance carriers for property, appointed officials, ranger liability, boilers, crime and general liability. The annual premium approximates \$274,000. Further information relating to insurance is presented in the Statistical Section.

Independent Audit

The Ohio Revised Code requires an annual audit be performed by the Auditor of State or by an independent certified public accountant approved by the Auditor of State. For years 1996 through 2001 our audit was performed by Berge & Company LTD. In 2002 Berge & Company merged into the firm **BKD, LLP**. The auditors' report is an integral part of this CAFR. This firm has been selected to audit years 2001-2005.

Awards

For the ninth year in a row, Meadow Links and Golf Academy was recognized as one of the "Top 100 Ranges in America" for 2003 by Golf Range Magazine. This National Award is based on the facilities continued effort to be a vital part of the community. In addition Meadow Links was recognized as one of the "Top 10 Short Courses in America."

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Park District for its comprehensive annual financial report for the fiscal year ended December 31, 2003. This was the sixth year the Park District received this prestigious award. In order to be awarded a Certificate of Achievement, the Park District published an easy-to-read, efficiently-organized comprehensive annual financial report. This report satisfies both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. It is believed the current comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements. It is being submitted to the GFOA to determine eligibility for another certificate.

Acknowledgements

This CAFR represents a continuing commitment by the Accounting Department and the Management of the Park District to provide prudent financial information of Park District activities and to demonstrate stewardship of the funds granted to the Park District by the voters of Hamilton County.

We thank and acknowledge support of the entire staff of the Park District for their effort in developing this report. We thank Dusty Rhodes, Hamilton County Auditor, and his office for assistance in developing the Statistical Section and staff of **BKD, LLP**, our auditors, for their assistance and review during this project.



Jack Sutton, Director



Donald Rudler, CPA, Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Hamilton County Park District,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



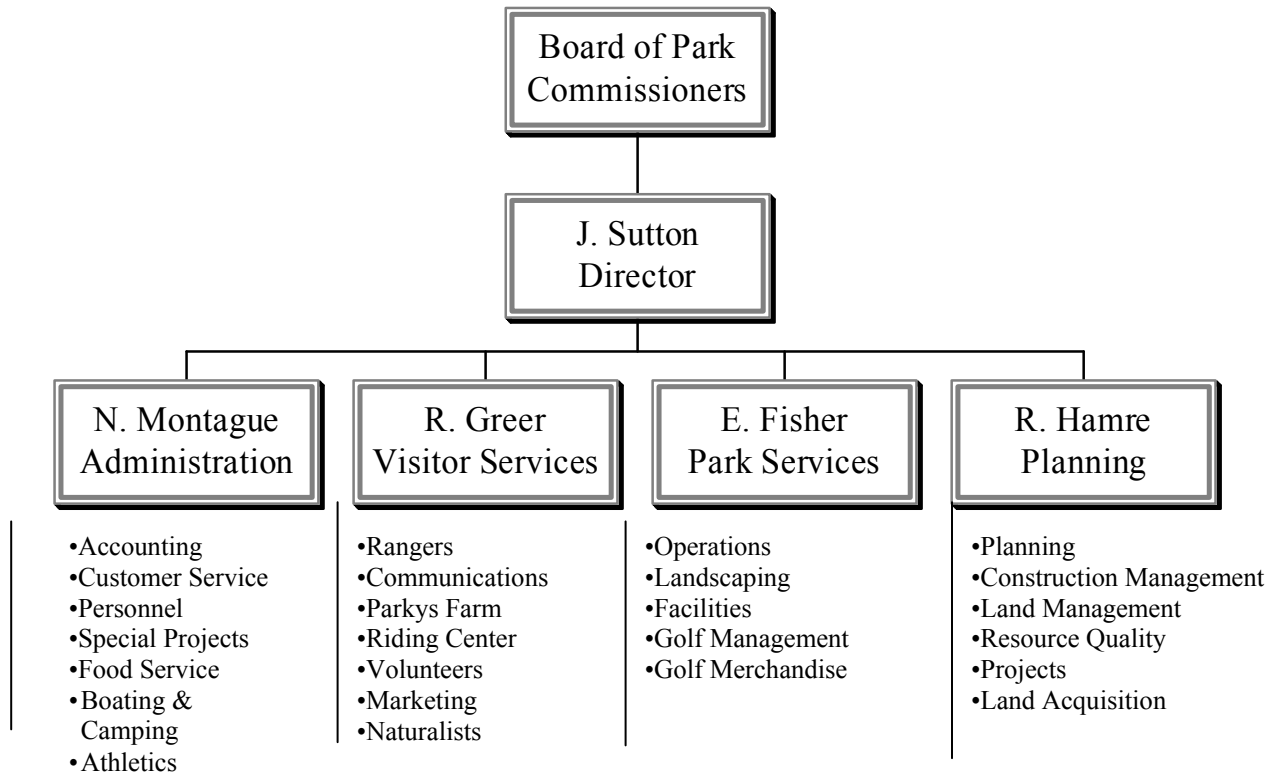
Nancy L. Zjella

President

Jeffrey R. Emer

Executive Director

HAMILTON COUNTY PARK DISTRICT 2004 Organizational Chart



**HAMILTON COUNTY PARK DISTRICT
LIST OF PRINCIPAL OFFICIALS**

DECEMBER 31, 2004

ELECTED OFFICIAL

HAMILTON COUNTY PROBATE JUDGE

HONORABLE JUDGE JAMES C. CISSELL
TERM EXPIRES FEBRUARY 2009

APPOINTED BY PROBATE JUDGE

BOARD OF PARK COMMISSIONERS

TERM EXPIRES

JAMES E. BUSHMAN	PRESIDENT	DECEMBER 31, 2006
ROBERT A. GOERING, SR.	VICE-PRESIDENT	DECEMBER 31, 2005
NANCY R. HAMANT	VICE-PRESIDENT	DECEMBER 31, 2007

APPOINTED BY THE BOARD OF PARK COMMISSIONERS

DIRECTOR

JACK L. SUTTON

DIVISION DIRECTORS

VISITOR SERVICES - RICHARD A. GREER
PARK SERVICES - EDWARD A. FISHER
ADMINISTRATION - NANCY S. MONTAGUE
PLANNING - ROSS HAMRE

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**FINANCIAL
SECTION**

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Independent Accountants' Report on Financial Statements and Supplementary Information

Board of Park Commissioners
Hamilton County Park District
Cincinnati, Ohio

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hamilton County Park District as of and for the year ended December 31, 2004, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Park District's management. Our responsibility is to express opinions on these 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 for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hamilton County Park District as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2005, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The accompanying management's discussion and analysis and budgetary information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Hamilton County Park District's basic financial statements. The accompanying other supplementary information and other budgetary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information and other budgetary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We did not audit the information included in the introductory and statistical sections as listed in the table of contents, and accordingly, we do not express an opinion on it.

BKD, LLP

Cincinnati, Ohio
May 11, 2005

MANAGEMENT'S DISCUSSION AND ANALYSIS

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

As management of the Hamilton County Park District (Park District) we offer readers of the Park Districts' financial statements this narrative overview and analysis of the financial activities of the Park District for the fiscal year ended December 31, 2004. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 to 6 of this report. The government wide financial statements are presented on the accrual basis of accounting. The fund financial statements are presented on the modified accrual basis of accounting which differ from those presented on a budgetary basis.

Financial Highlights

Key financial highlights for 2004 are as follows:

- The Park District's total net assets increased \$4,108,685 for the year ended December 31, 2004.
- The assets of the Park District exceeded its liabilities at the close of fiscal year ending December 31, 2004 by \$92,331,089 (net assets). Of this amount \$88,090,423 has been invested in capital assets.
- Net assets of governmental activities increased by \$4,228,244, which represents a 5% increase over 2003 balance. Net assets of business-type activities decreased \$119,559 or a 1% decrease from 2003.
- Governmental activities net investment in capital assets increased by \$6,919,345. Net Business type activities investment in capital assets decreased by \$(137,842). Capital assets of the Park District are owned with no related debt.

Revenues of the governmental activities increased by \$434,311 over amounts reported in prior years. Increases in operating grants and contributions of \$152,669, capital grants of \$418,938 and other minor changes account for this increase. During the same period expenditures increased by \$2,171,710 due primarily to increase in operation and maintenance expense of \$752,089, visitors service of \$929,523 and administration of \$200,199 and a decrease in depreciation of \$521,569.

The revenue of the business type activities increased \$409,484 in 2004. Expenditures decreased due to reduction of golf management expenses 2004 from 2003 (\$132,647). Business activities reported a net losses in 2003 of (\$688,409) and (\$119,559) in 2004.

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

- At December 31, 2004 Park District governmental funds reported combined ending fund balance of \$7,939,830, a decrease of \$1,709,123 in comparison with the prior year. The decrease resulted from increases in expenditures \$2,097,706. On a combined basis, \$6,342,912 is considered unreserved at December 31, 2004. Unreserved fund balance includes \$2,997,494 restricted for capital projects and \$5,286,008 restricted for special revenue purposes.
- Among the major funds the General Fund, for year ended December 31, 2004, had \$24,984,907 in total revenue and \$19,130,359 in total expenditures. \$7,113,344 was transferred out to Capital Project Fund to financial capital additions.

Using this Comprehensive Annual Financial Report (CAFR)

Overview of the Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Hamilton County Park District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The discussion and analysis are intended to serve as an introduction the Park District's basic financial statements. The Park District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Report Hamilton County Park District As A Whole

The review of the Park District as a financial whole assesses all financial transactions and measures the Park District's financial position and liquidity. The government-wide financial statements-the Statement of Net Assets and the Statement of Activities-are designed to provide readers with a broad overview of the Park District's finances.

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

Statements of Net Assets and Statements of Activities

The Statement of Net Assets and the Statement of Activities report both long-term and short-term information about the Hamilton County Park District's overall financial status using the accrual basis of accounting, similar to the method of accounting used by private-sector companies.

- **Statement of Net Assets.** The Statement of Net Assets presents information on all of the Park Districts assets and liabilities, with the difference between the two reported as net assets. This statement provides information about the nature and amounts of investments in resources (assets) and the obligations to Park District creditors (liabilities), and supplies the basis for evaluating the Park District's capital structure.
- **Statement of Activities.** The Statement of Activities provides information about all of the Park District's current-year revenues and expenses, and measures the success of the Park District's operations over the past year. Use of the accrual basis of accounting for financial reporting means all current year revenues and expenses are reported regardless of when cash is received or paid.

These two government-wide statements report the Park District's net assets and changes in those assets. The change in net asset is important because it tells the reader whether, for the Park District as a whole, the financial position has improved or diminished. In evaluating the overall position of the Park District, nonfinancial information-such as changes in the Park District's tax or employment base, the condition of Park District's capital assets and other factors, such as changing economic conditions, population and customer growth, and new or changed rules and regulations-also need to be considered.

All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the Statement of Activities for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

In the Statement of Net Assets and the Statement of Activities, Park District functions are divided into the following two distinct kinds of activities:

- **Governmental Activities-**Most of the Park Districts programs and services are reported here, including general government, public safety, operation and maintenance, naturalists, visitors services, and facilities expenditures. These services are funded primarily by taxes and intergovernmental revenues, including federal and state grants.
- **Business-Type Activities-** Most of the Park District's programs or services intended to recover all or a significant portion of their costs through user fees and charges are reported here. The Park District charges fees to recoup the cost of operations and capital expenses associated with these activities.

The Government wide financial statements can be found on pages 29-31 of this report.

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

Government-Wide Financial Analysis

Net Assets

Net assets-the difference between assets and liabilities-may serve over time as a useful indicator of the Park Districts financial position. The Park District total assets exceeded Total liabilities in 2004 by \$92.3 million compared with \$88 million in 2003. This represents an increase of \$4,228,244 in governmental activities and decrease of \$(119,559) in business activities in 2004 compared to an increase in governmental activities of \$5,965,651 and business activities of loss of \$688,409 in 2003.

Table 1
Summary of Net Assets
at December 31, 2004 and 2003

	Governmental Activities		Business-Type Activities		Total Government	
	2004	2003	2004	2003	2004	2003
Current Assets	\$24,941,015	\$ 26,757,145	\$ 896,787	\$ 1,247,836	\$ 25,837,802	\$ 28,004,981
Capital Assets	74,435,225	67,515,880	13,655,198	13,793,040	88,090,423	81,308,920
Total Assets	99,376,240	94,273,025	14,551,985	15,040,876	113,928,225	109,313,901
Current liabilities	19,745,391	19,435,783	137,594	144,924	19,882,985	19,580,707
Long-term liabilities	1,639,845	1,442,451	74,306	68,339	1,714,151	1,510,790
Internal balance	(2,744,206)	(3,112,175)	2,744,206	3,112,175		
Total liabilities	18,641,030	17,766,059	2,956,106	3,325,438	21,597,136	21,091,497
Net Assets						
Invested in capital assets Net of related debt	74,435,225	67,515,880	13,655,198	13,793,040	88,090,423	81,308,920
Restricted	8,937,022	7,927,867			8,937,022	7,927,867
Unrestricted (deficit)	(2,637,037)	1,063,219	(2,059,319)	(2,077,602)	(4,696,356)	(1,014,383)
Total Net Assets	\$ 80,735,210	\$ 76,506,966	\$ 11,595,879	\$ 11,715,438	\$ 92,331,089	\$ 88,222,404

By far the largest portion of the Park Districts net assets, \$88,090,423 (97%) in 2004 and \$81,308,920 (92%) in 2003 reflect investment in capital assets, which includes property, equipment and infrastructure assets, net of accumulated depreciation with no related debt. The Park District uses these assets to provide services to citizens, consequently these assets are not available for future spending. An additional portion of the Park Districts net assets \$8,937,022 (10%) in 2004 and \$7,927,867 (9%) in 2003 represent resources that are subject to internal and external restrictions on how they may be used. The remaining balance (deficit) represents unrestricted assets (deficit). This total deficit (\$4,696,356) is made up of unrestricted net assets (deficit) of government activities (\$2,637,037) in 2004 and \$1,063,219 in 2003, as well as (\$2,059,319) in business activities in 2004 and \$(2,077,602) in 2003. This deficit in turn results from inter fund activities and does not represent amounts due outside the Park District.

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

Changes in Net Assets

The Park District's total revenue increased 2.6% to \$33,230,952 in 2004. Slightly over one half (55%) of the Park Districts revenue (55 cents of every dollar raised) comes from taxes on real estate. Additionally 38% of revenue comes from charges to users of Park District facilities or programs. Table 2 following, provides a comparative summary of the Park Districts revenue and expenses, the changes in Net Assets for the years 2004 and 2003.

Table 2
Hamilton County Park District
Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total Government	
	2004	2003	2004	2003	2004	2003
Expenses						
Governmental Activities						
Parks and recreation						
General Government	910,825	710,626			910,825	710,626
Public Safety	3,533,484	3,504,069			3,533,484	3,504,069
Operational Maintenance	7,019,122	6,267,033			7,019,122	6,267,033
Land Management	407,632	383,692			407,632	383,692
Resource Quality	192,895	185,602			192,895	185,602
Naturalist	1,452,213	1,439,530			1,452,213	1,439,530
Communication	887,596	630,052			887,596	630,052
Visitor Service	2,635,048	1,705,525			2,635,048	1,705,525
Facilities	1,130,157	1,171,125			1,130,157	1,171,125
Business-type activities						
Operating			10,953,295	11,112,661	10,953,295	11,112,661
Total Expenses	18,168,972	15,997,254	10,953,295	11,112,661	29,122,267	27,109,915
Revenues						
Program Revenues						
Charges for service	\$ 1,865,878	\$ 1,803,834	\$ 10,833,736	\$10,424,252	\$ 12,699,614	\$ 12,228,086
Operating grants	349,920	197,251			349,920	197,251
Capital grants	1,031,840	612,902			1,031,840	612,902
General Revenue						
Taxes	18,322,723	18,149,004			18,322,723	18,149,004
Investment earnings	529,830	913,744			529,830	913,744
Other revenue	297,025	286,170			297,025	286,170
Total Revenues	22,397,216	21,962,905	10,833,736	10,424,252	33,230,952	32,387,157
Change in Net Assets	4,228,244	5,965,651	(119,559)	(688,409)	4,108,685	5,277,242
Net Assets January 1	76,506,966	70,541,315	11,715,438	12,403,847	88,222,404	82,945,162
Net Assets December 31	\$80,735,210	\$76,506,966	\$11,595,879	\$ 11,715,438	\$92,331,089	\$ 88,222,404

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

Governmental Activities and Total Government

Total revenue increased approximately \$843,000 from increased charges for park services of \$471,000, increased capital grants of \$419,000, increased tax revenue of \$173,000, increased operating grants, and contributions of \$152,000.

- (1) General government expenses increase because of increase in salaries and fringes, insurance and utilities, and other miscellaneous expenses.
- (2) Operation and maintenance expenses increased \$752,000 because of new operations and ongoing renovation of Fernbank and Glenwood gardens.
- (3) Visitor services expenses increased \$929,000 due to increases in salaries and fringes, general supplies introduction of the Special Projects department and Adventure outpost expenses.

With total governmental revenue remaining approximately the same, but total expense increasing over \$2.1 million, change in net assets decreased approximately \$1.7 million to \$4,228,244. The amount, when added to beginning net assets \$76.5 million produced government net assets at December 31, 2004, on accrual basis of \$80.4 million. See Table 2.

Business Type Activities

Table 3 provides revenue and expenses by six business type departments for 2004 and 2003.

Total revenue increased by \$409 thousand. However, total costs decreased \$159,000 (\$10.9 million in 2004 and \$11.1 million in 2003). These changes produced net loss in 2004 (\$119,559) and a loss in 2003 (\$688,000). Total cash provided was \$649,000 in 2004 and \$990,000 in 2003.

There was a substantial cash transfer to the General Fund (\$5 million) so net cash remaining in Business activities is down from 2003. See table 3.

Golf Management

As shown in Table 3, golf revenue changed little from 2003 (\$5,893,000 in 2004 verses \$5,822,000 in 2003.) Rounds of golf decreased from 298,859 in 2003 to 293,193 in 2004. However expenses decreased so net income increased from \$469,724 (2003) to \$750,678 (2004).

Business-type activities

In 2004 food service reported net loss of (\$520,665) and compared to 2003 (\$629,690) net loss.

For 2004 the other four departments (Fishing and boating, riding center, golf merchandise, athletics) collectively reported \$(349,572) for 2004 and \$(555,443) net loss for 2003.

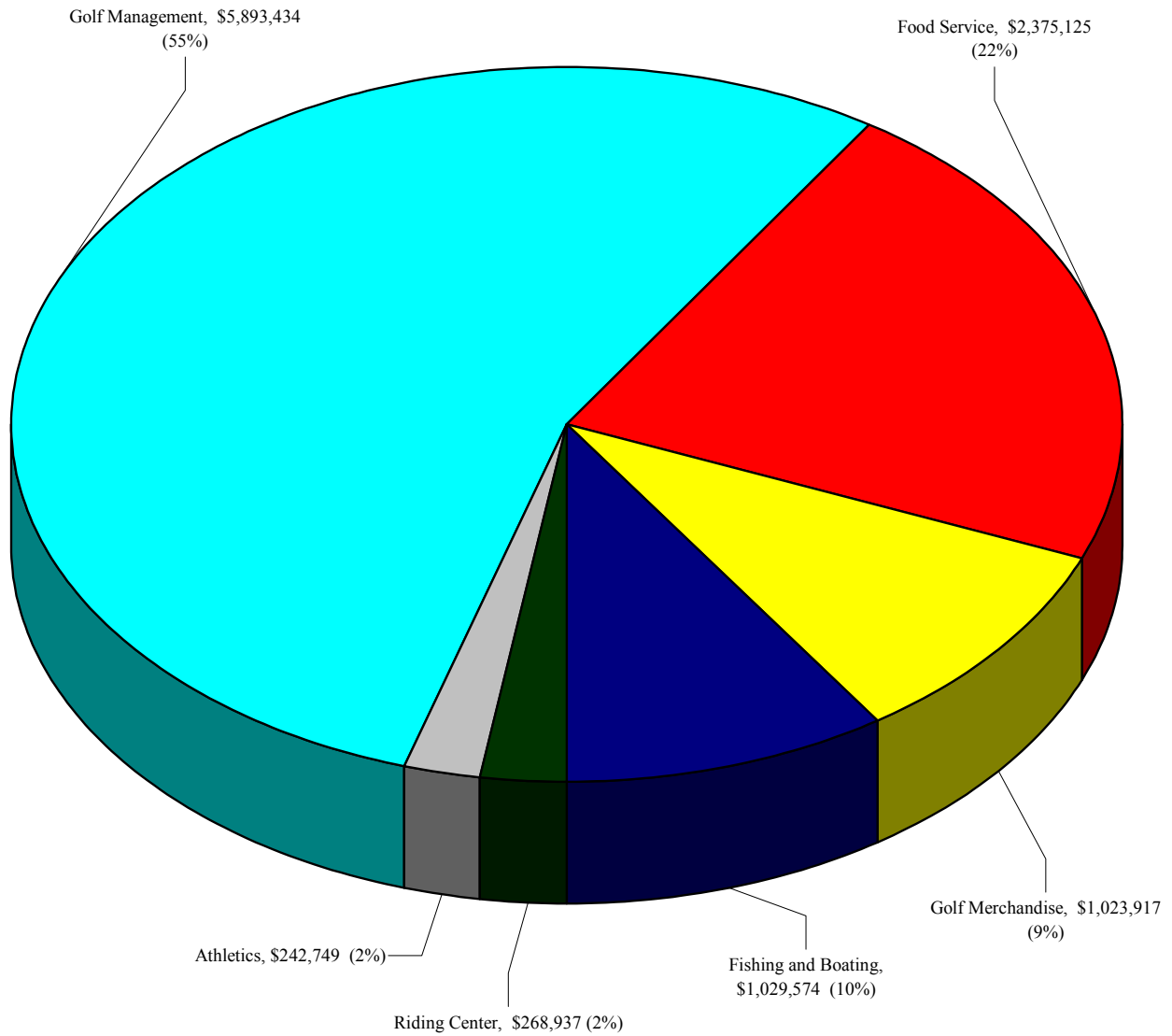
Table 3 provides details by department.

Table 3
Business Activities
Net Income (loss) by Department

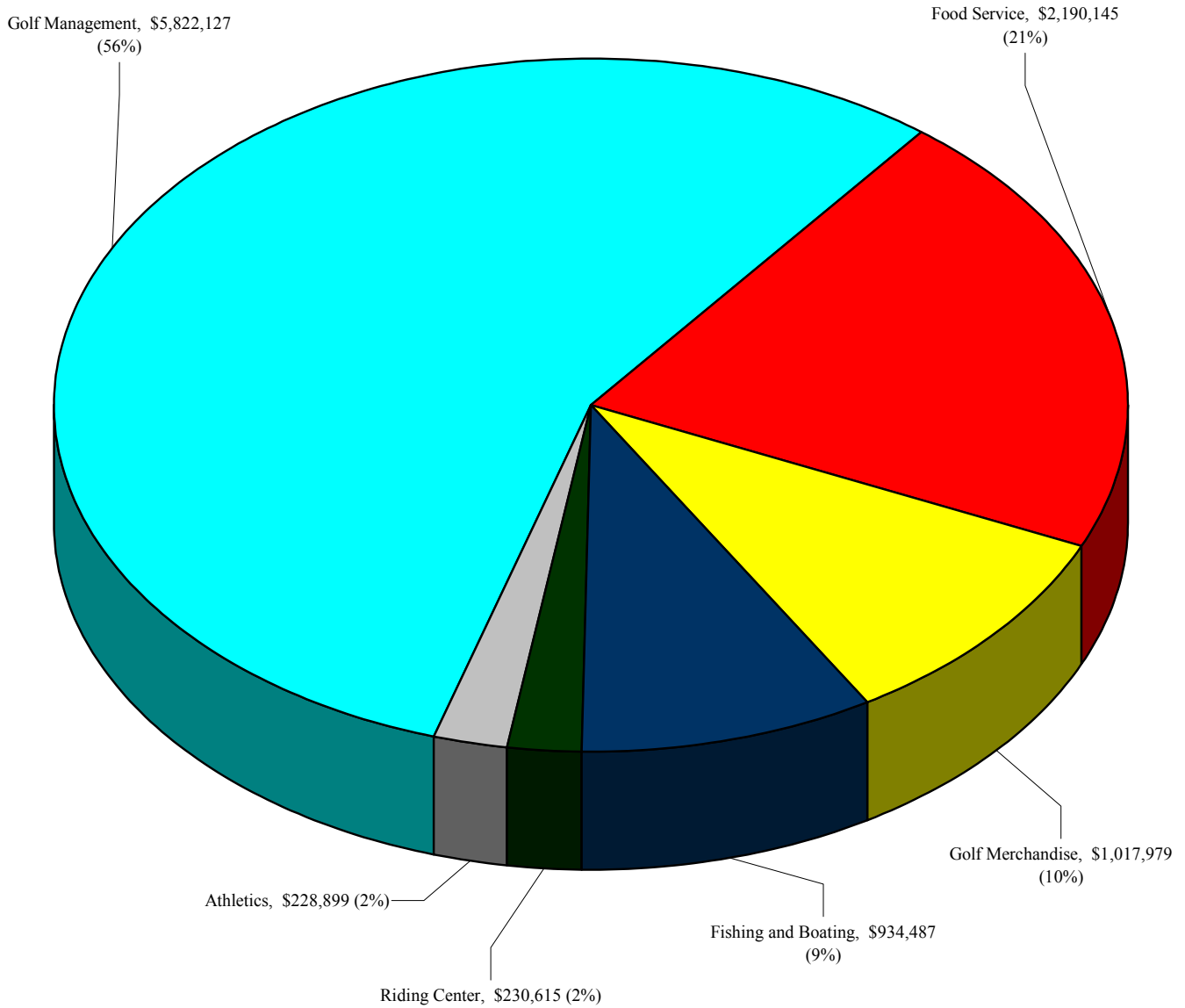
	Golf Management		Fishing and Boating		Riding Center	
	2004	2003	2004	2003	2004	2003
Operating Revenue						
Charges for sales and services	\$ 5,893,434	\$ 5,822,127	\$ 1,029,574	\$ 934,487	\$ 268,937	\$ 230,615
Operating Expenses						
Cost of sales and services	3,829,723	3,772,002	1,009,066	1,000,471	241,797	276,866
Administration expenses	610,500	667,848	150,100	139,205	19,448	18,104
Depreciation expense	702,533	885,553	131,012	119,714	17,302	18,916
Total operating expense	5,142,756	5,325,403	1,290,178	1,259,390	278,547	313,886
Net income (loss)	\$ 750,678	\$ 496,724	\$ (260,604)	\$ (324,903)	\$ (9,610)	\$ (83,271)

Food Service		Golf Merchandise		Athletics		Total	
2004	2003	2004	2003	2004	2003	2004	2003
\$2,375,125	\$2,190,145	\$1,023,917	\$1,017,979	\$ 242,749	\$ 228,899	\$10,833,736	\$ 10,424,252
2,373,623	2,305,694	885,855	947,472	246,862	240,662	8,586,926	8,543,167
320,117	308,909	33,668	27,107	77,652	75,120	1,211,485	1,236,293
202,050	205,232	22,899	22,900	79,088	80,886	1,154,884	1,333,201
2,895,790	2,819,835	942,422	997,479	403,602	396,668	10,953,295	11,112,661
\$ (520,665)	\$ (629,690)	\$ 81,495	\$ 20,500	\$ (160,853)	\$ (167,769)	\$ (119,559)	\$ (688,409)

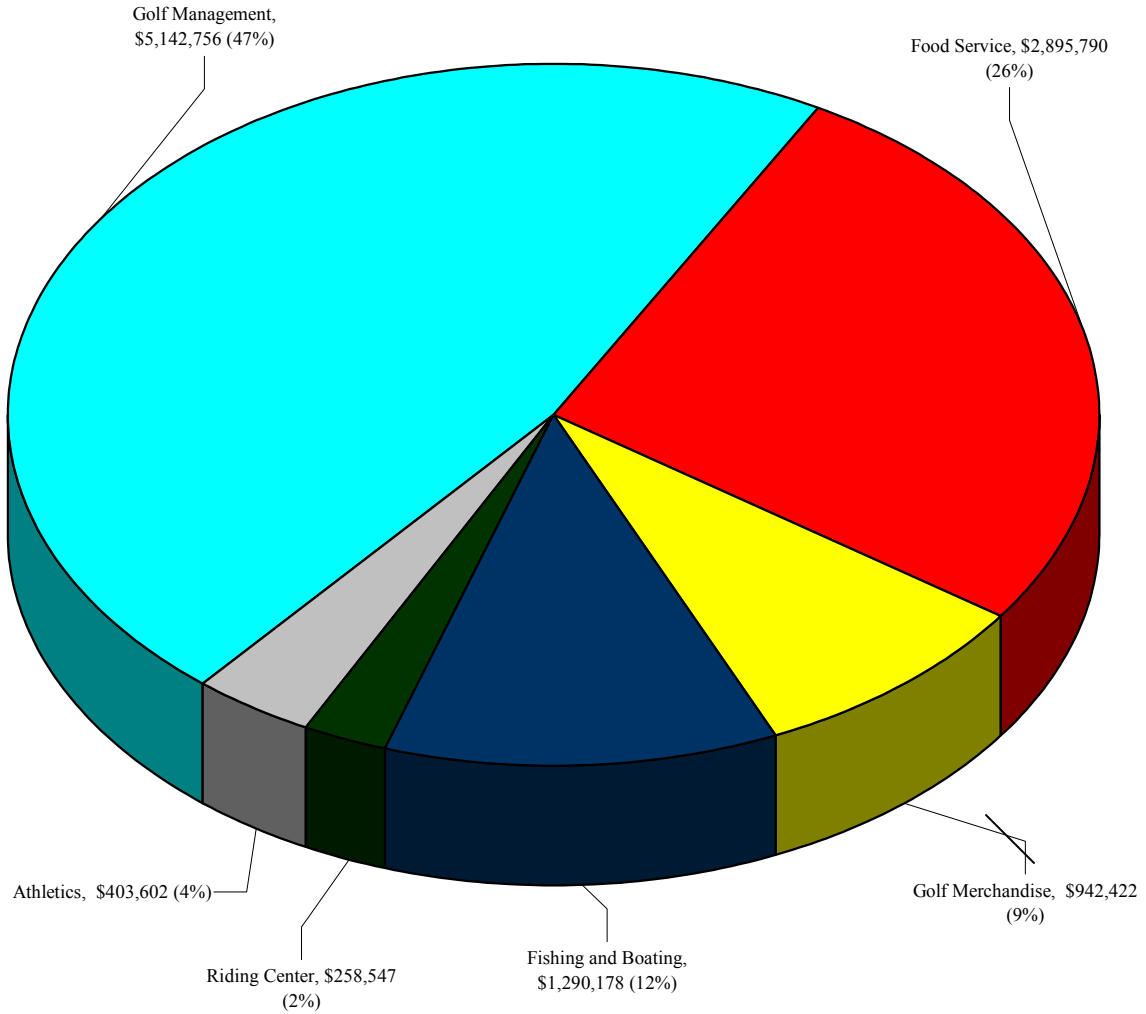
**HAMILTON COUNTY PARK DISTRICT
BUSINESS ACTIVITIES
OPERATING REVENUES BY DEPARTMENT
For the Year Ended December 31, 2004**



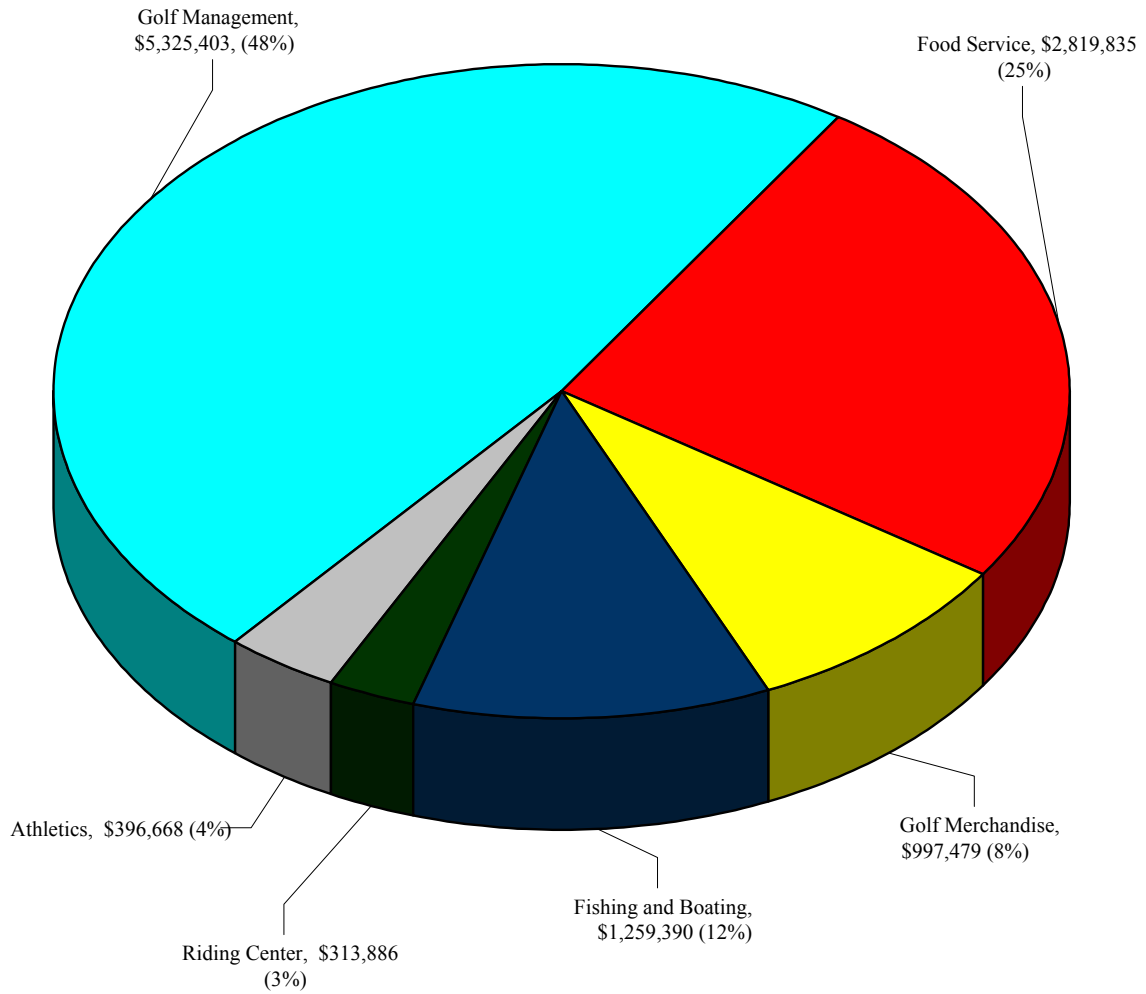
**HAMILTON COUNTY PARK DISTRICT
BUSINESS ACTIVITIES
OPERATING REVENUES BY DEPARTMENT
For the Year Ended December 31, 2003**



**HAMILTON COUNTY PARK DISTRICT
BUSINESS ACTIVITIES
OPERATING EXPENSES BY DEPARTMENT
For the Year Ended December 31, 2004**



**HAMILTON COUNTY PARK DISTRICT
BUSINESS ACTIVITIES
OPERATING EXPENSES BY DEPARTMENT
For the Year Ended December 31, 2003**



Hamilton County Park District Management's Discussion and Analysis (Unaudited)

Significant Fund Activity

Capital Project Fund

Capital projects outlays totaled \$8 million financed by \$7.7 million transfer from general fund and opening fund balance. There was no debt incurred to finance Park District improvements. The Enterprise Fund finances its own improvements.

Mitchell Fund

In 2004 sizeable investment income resulted from cash dividends and dividends in stock of \$668,299. At year end the fair value of the portfolio increased by \$280,580. Proceeds from sale of stock of \$385,000 and the available cash were used to pay back a loan from the General Fund of \$580,000.

Burchneal Fund

In 2004, investment income includes interest and dividends approximately \$15,000 and unrealized gain of \$112,000. Expenditures reduced the fund balance by \$304,000.

Benedict Fund

In 2004, this fund was reduced by expenditure of \$759,667 and increased by interest earned of \$1,864.

Enterprise Fund

In 2004, \$649,000 of positive cash flow was provided by the Golf, Fishing, Boating, Riding Center, Food Service operations and sale of Golf Merchandise. Over \$1,000,000 was used for Enterprise capital improvements.

General Fund Budgetary Highlights

The Park Districts annual budget, the starting point for its financial planning and control, is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

The Board of Park Commissioners adopts the annual operating budget for the Park District in December preceding the budget year. All disbursements and transfers of cash between funds require appropriation by the Park Commissioners. The adopted budget may be amended by the Park commissioners. All budgeted amendments and supplemental appropriations made during 2004 are included in the revised budgeted amounts presented in the budget to include comparisons. This information is presented on page 55.

Differences between the Park Districts original budgeted revenue and final budgeted revenue were minimal and were due to capital outlay revisions in Administration and Visitors Services.

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

Capital Assets

At Fiscal year end December 31, 2004, the Park District had invested \$74,435,225 (net of accumulated depreciation) in Governmental capital assets and \$13,655,198 in Business-Type Activities compared to \$67,515,880 and \$13,793,040 in 2003. This represents an increase of 8% in governmental and 1% decrease in Business-type.

Table 4 provides a comparable summary of the Park Districts capital assets, net of accumulated depreciation for fiscal years 2004 and 2003.

Major capital additions during the year were:

- New 3 par golf course at Little Miami Highfield Discovery Garden at Glenwood Gardens.
- Allen and Bonnie Paul tract, 103 acres, Lake Ridge Drive and McKelvey Road.
- Roth Tract on Hopper Hill 26 acres.
- Fernbank ongoing major improvements.

For more detailed information, see capital asset activity information in the notes to the basic financial statements.

Table 4
Hamilton County Park District's
Capital Assets at Year End
(Net of accumulated depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Land	\$ 54,011,636	\$49,275,947	\$ 2,579,126	\$ 2,579,126	\$56,590,762	\$ 51,855,073
Buildings	13,126,719	12,729,292	10,411,089	10,430,341	23,537,808	23,159,633
Equipment	1,092,802	1,354,413	664,983	783,573	1,757,785	2,137,986
Infrastructure	4,792,636	4,156,228	—	—	4,792,636	4,156,228
Leasehold Improvements	1,411,432	—	—	—	1,411,432	—
	<u>\$ 74,435,225</u>	<u>\$67,515,880</u>	<u>\$13,655,198</u>	<u>\$13,793,040</u>	<u>\$88,090,423</u>	<u>\$ 81,308,920</u>

Long-Term Debt

The Park District had total long term debt of \$1,714,151 at December 31, 2004 compared to \$1,510,790 at December 31, 2003. This obligation represents the amount due employees for vested vacation, holiday and, compensatory time, payable at December 31, 2004, as well as maximum allowable sick time payable at December 31, 2004, for employees meeting the criteria for accrual.

Additional information on the Park Districts compensated absences can be found on pages 39 and 40.

The Park District has no other long term debt. The legal debt limitations at December 31, 2004 were \$187,238,000 and \$185,450,000 at 2003. Page 89 in the Statistical section of CAFR, shows this compilation.

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

Economic Factors and Next Years Budget

The Park District is a special purpose government operating under the authority of Chapter 1545 of the Ohio Revised Code, providing park and recreation opportunities to the citizens of Hamilton County, as well as adjoining counties, Northern Kentucky and Southeastern Indiana.

The County of Hamilton's average unemployment rate for 2004 was 5.2%. During 2004, the county maintained an average labor force of 431,700, of which 409,300 were employed. Fifty-four percent (54%) of the U.S. population is within one hour's flight time and the Metropolitan Area is within 600 miles of 53% of the nation's purchasing power and 54% of the nation's manufacturing establishments.

The corporate headquarters of numerous companies are located in Hamilton County. Cincinnati is the home of several Fortune 500 corporations, including Proctor & Gamble, Kroger Company, Cinergy and American Financial Corporation. Another 370 Fortune 500 companies have operations in the Metropolitan area.

The Metropolitan Area is a growing center for international business, with approximately 800 companies engaged in international trade. Metropolitan Area companies generate sales of approximately \$4.0 billion to customers outside the U.S. each year. Major export products include jet engines, plastics, machinery, computer software, paper and consumer goods. Directly imported products amount to over \$2.0 billion annually. Over 150 Greater Cincinnati companies are also owned by foreign companies from Japan, England, Western Europe and Canada. New investment by suppliers to the new Japanese auto plants in the Midwest is particularly strong. Foreign trade zone status is also available in Greater Cincinnati to assist firms engaged in international trade to lower import duty and tax expenses.

The County is also the location of major federal government installations, including a regional postal service center, a regional internal revenue service center, an environmental research center, an occupational health and safety research center and the Sixth Circuit Court of Appeals.

The County's primary sporting venues include Great American Ballpark, with a seating capacity of 42,300; the USBank Arena, which can accommodate 17,000; Cincinnati Gardens which seats 10,800 and the Shoemaker Center at the University of Cincinnati with a capacity of 13,176, Cintas Center at Xavier University with seating for 10,250 and Paul Brown Stadium seating 65,600.

For further information regarding Hamilton County, see Statistical Section.

For 2005 fees for Motor Vehicle permits will increase from \$3 to \$5, and a total increase of revenue of \$485,000 is expected. Proceeds from grants will be reduced from \$1,000,000 to \$580,000 in 2005, based on anticipated grants available. Also the following material changes in the 2005 budget we anticipate the following:

(1) Armleder Park – Renovations and Improvements – Projected cost	\$1,290,000
(2) Safety Department Increase staffing and costs	340,000
(3) Land Purchases – Based on available land and available funds – decreased	(650,000)

Requests for Information

This financial report is designed to provide our citizens, taxpayers, patrons, and creditors with a general overview of the Park District's finances and to show the Park District's accountability for the funds it receives. If you have any questions about this report or need additional financial information, contact the Treasurer, Hamilton County Park District, 10245 Winton Road, Cincinnati, OH 45231 or call (513) 521-7275.

HAMILTON COUNTY PARK DISTRICT
Statement of Net Assets
December 31, 2004

	Governmental Activities	Business-type Activities	Total
Assets			
Current assets			
Cash and cash equivalents.....	\$ 2,098,052	\$ 597,386	\$ 2,695,438
Investments	4,068,452		4,068,452
Receivables			
Accounts.....	4,007		4,007
Intergovernmental	838		838
Taxes	18,724,000		18,724,000
Inventories.....		299,401	299,401
Prepays and other	45,666		45,666
Total current assets.....	<u>24,941,015</u>	<u>896,787</u>	<u>25,837,802</u>
Non current assets			
Nondepreciable capital assets.....	50,001,590	2,579,126	52,580,716
Depreciable capital assets, net.....	24,433,635	11,076,072	35,509,707
Total non current assets	<u>74,435,225</u>	<u>13,655,198</u>	<u>88,090,423</u>
Total assets.....	<u>99,376,240</u>	<u>14,551,985</u>	<u>113,928,225</u>
Liabilities			
Current liabilities			
Accounts payable and accrued expense	869,244	104,896	974,140
Deferred revenue	18,724,000		18,724,000
Due other governments	152,147	32,698	184,845
Total current liabilities.....	<u>19,745,391</u>	<u>137,594</u>	<u>19,882,985</u>
Compensated absences.....	1,639,845	74,306	1,714,151
Internal balances.....	(2,744,206)	2,744,206	
Total liabilities.....	<u>18,641,030</u>	<u>2,956,106</u>	<u>21,597,136</u>
Net Assets			
Invested in capital assets	74,435,225	13,655,198	88,090,423
Restricted for:			
Capital projects.....	3,555,780		3,555,780
Special Revenue Funds	5,381,242		5,381,242
Unrestricted (deficit)	(2,637,037)	(2,059,319)	(4,696,356)
Total net assets.....	<u>\$ 80,735,210</u>	<u>\$ 11,595,879</u>	<u>\$ 92,331,089</u>

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Statement of Activities
For the Year Ended December 31, 2004

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Parks and Recreation	\$ 18,168,972	\$ 1,865,878	\$ 349,920	\$ 1,031,840
Business-Type Activities				
Golf Courses	5,142,756	5,893,434		
Fishing and Boating	1,290,178	1,029,574		
Riding Center	278,547	268,937		
Food Service	2,895,790	2,375,125		
Golf Merchandise	942,422	1,023,917		
Athletics	403,602	242,749		
Total Business-Type Activities	10,953,295	10,833,736		
Total Government.....	\$ 29,122,267	\$ 12,699,614	\$ 349,920	\$ 1,031,840

General Revenues

- Taxes
- Investment gain
- Miscellaneous
- Total general revenues

Change in Net Assets

- Net Assets, Beginning of Year**
- Net Assets, Ending of Year**

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Primary Business-Type Activities	Total
\$ (14,921,334)	\$	\$ (14,921,334)
	750,678	750,678
	(260,604)	(260,604)
	(9,610)	(9,610)
	(520,665)	(520,665)
	81,495	81,495
	(160,853)	(160,853)
	(119,559)	(119,559)
(14,921,334)	(119,559)	(15,040,893)
18,322,723		18,322,723
529,830		529,830
297,025		297,025
19,149,578		19,149,578
4,228,244	(119,559)	4,108,685
76,506,966	11,715,438	88,222,404
\$ 80,735,210	\$ 11,595,879	\$ 92,331,089

HAMILTON COUNTY PARK DISTRICT
Balance Sheet
Governmental Funds
December 31, 2004

	General Fund	Capital Projects Fund	Mitchell Trust Fund	Other Funds	Total Governmental Funds
Assets					
Cash and cash equivalents.....	\$ 156,829	\$ 910,076	\$ 29,700	\$ 1,001,447	\$ 2,098,052
Investments			2,884,318	1,184,134	4,068,452
Receivables					
Accounts.....	4,007				4,007
Intergovernmental	838				838
Taxes	18,724,000				18,724,000
Due from other funds		3,063,247		300,000	3,363,247
Other assets	45,666				45,666
Total assets	<u>\$ 18,931,340</u>	<u>\$ 3,973,323</u>	<u>\$ 2,914,018</u>	<u>\$ 2,485,581</u>	<u>\$ 28,304,262</u>
Liabilities					
Accounts payable	\$ 252,295	\$ 30,555	\$ 150	\$ 15,411	\$ 298,411
Accrued salaries payable.....	473,168	38,808	1,445		513,421
Deferred revenue	18,724,000				18,724,000
Retainage payable		57,412			57,412
Due to other funds.....	619,041				619,041
Due other government agencies	137,820	12,976	1,351		152,147
Total liabilities	<u>20,206,324</u>	<u>139,751</u>	<u>2,946</u>	<u>15,411</u>	<u>20,364,432</u>
Fund Balances (Deficit)					
Reserved for					
Encumbrances	665,606	836,078		95,234	1,596,918
Unreserved					
General Fund.....	(1,940,590)				(1,940,590)
Capital Projects Fund		2,997,494			2,997,494
Special Revenue Funds			2,911,072	2,374,936	5,286,008
Total fund balances (deficit)	<u>(1,274,984)</u>	<u>3,833,572</u>	<u>2,911,072</u>	<u>2,470,170</u>	<u>7,939,830</u>
Total liabilities and fund balances.....	<u>\$ 18,931,340</u>	<u>\$ 3,973,323</u>	<u>\$ 2,914,018</u>	<u>\$ 2,485,581</u>	<u>\$ 28,304,262</u>

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Reconciliation of Total Governmental Funds
Balance to Net Assets of Governmental Activities
December 31, 2004

Total Governmental Funds Balance	\$ 7,939,830
<i>Amounts reported for Governmental Activities in the Statement of Net Assets are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	74,435,225
Long term liabilities are not due and payable in the current period and therefore are not recorded in the funds	<u>(1,639,845)</u>
Net Assets of Governmental Activities	<u>\$ 80,735,210</u>

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended December 31, 2004

	General Fund	Capital Projects Fund	Mitchell Trust Fund	Other Funds	Total Governmental Funds
Revenues					
Taxes	\$ 18,322,723	\$	\$	\$	\$ 18,322,723
Motor Vehicle Permits	799,977				799,977
Charges for Service	4,612,621				4,612,621
Fines and Damage	13,963				13,963
Donations and Grants	1,031,840			349,920	1,381,760
Investment Income	65,676		346,947	117,207	529,830
Miscellaneous	138,107	151,975		6,943	297,025
Total revenue	24,984,907	151,975	346,947	474,070	25,957,899
Expenditures					
Current:					
General Government	1,865,654				1,865,654
Public Safety	3,261,046				3,261,046
Operation and Maintenance	6,215,960		92,382	1,380,698	7,689,040
Land Management	283,848				283,848
Resource Quality	142,863				142,863
Naturalist	1,342,090				1,342,090
Communication	751,405				751,405
Visitor Services	1,360,280				1,360,280
Facilities	1,478,216				1,478,216
Capital Outlay	2,428,997	7,063,583			9,492,580
Total expenditures	19,130,359	7,063,583	92,382	1,380,698	27,667,022
Excess (deficiency) of revenues over expenditures	5,854,548	(6,911,608)	254,565	(906,628)	(1,709,123)
Other financing sources (uses)					
Transfers in		7,113,344	1,563	11,389	7,126,296
Transfers out	(7,126,296)				(7,126,296)
Total other financing sources (uses)	(7,126,296)	7,113,344	1,563	11,389	—
Net change in fund balance	(1,271,748)	201,736	256,128	(895,239)	(1,709,123)
Fund Balances (Deficit), Beginning of Year					
	(3,236)	3,631,836	2,654,944	3,365,409	9,648,953
Fund Balances (Deficit), End of Year	\$ (1,274,984)	\$ 3,833,575	\$ 2,911,072	\$ 2,470,170	\$ 7,939,830

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
December 31, 2004

Net Change in Fund Balances Total Governmental funds \$ (1,709,123)

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and not expensed. This is the amount by which such capitalization increased net assets of governmental activities. 6,140,728

Change in long term liabilities (compensated absences) not reported as expenditures in governmental funds. (203,361)

Change in Net Assets-Governmental Activities \$ 4,228,244

HAMILTON COUNTY PARK DISTRICT
Statement of Net Assets
Proprietary Fund
December 31, 2004

	Enterprise Fund
Assets	
Current Assets	
Cash and cash equivalents	\$ 597,386
Inventories	299,401
Total current assets	896,787
Property and Equipment	
Land	2,579,126
Buildings and improvements	20,273,715
Equipment	4,572,755
	27,425,596
Less accumulated depreciation	13,770,398
Net property and equipment	13,655,198
Total assets	14,551,985
Liabilities	
Current Liabilities	
Accounts payable	11,179
Accrued salaries payable	93,717
Due to other funds	2,744,206
Due other government agencies	32,698
Compensated Absences	74,306
Total current liabilities	2,956,106
Net Assets	
Invested in capital assets	13,655,198
Unrestricted	(2,059,319)
Total net assets	\$ 11,595,879

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Fund
For the year ended December 31, 2004

	Enterprise Fund
Operating Revenues	
Charges for Sales and Service	\$ 10,833,736
Total operating revenues	10,833,736
Operating Expenses	
Costs of Sales and Services	8,586,926
Administration	1,211,485
Depreciation.....	1,154,884
Total operating expense	10,953,295
Change in Net Assets	(119,559)
Total Net Assets, Beginning of Year	11,715,438
Total Net Assets, End of Year	\$ 11,595,879

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Statement of Cash Flows
Proprietary Fund
For the year ended December 31, 2004

	Enterprise Fund
Cash Flows from Operating Activities	
Receipts from customers	\$ 10,833,736
Paid to vendors.....	(1,303,409)
Paid to employees	(3,881,794)
Payments to other funds	(5,000,000)
	648,533
Cash Flows From Capital and Related Financing Activities	
Payments for Capital Acquisition, Net of Disposals.....	(1,017,042)
	(1,017,042)
Increase in Cash and Cash Equivalents	(368,509)
Cash and Cash Equivalents, Beginning of Year	965,895
Cash and Cash Equivalents, End of Year	\$ 597,386
Reconciliation of Change in Net Assets to Net Cash Provided by Operating Activities:	
Change in net assets	\$ (119,559)
Adjustment for items not requiring cash for operating activities:	
Depreciation.....	1,154,884
Changes in Assets and Liabilities	
Inventories	(17,460)
Accounts payable	(31,351)
Accrued salaries payable.....	21,758
Interfund payables.....	(367,969)
Due other governments	2,263
Compensated absences.....	5,967
	5,967
Net Cash Provided by Operating Activities	\$ 648,533

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Description of Hamilton County Park District

The Hamilton County Park District (Park District) was created in 1930 under authority of Chapter 1545 of the Ohio Revised Code for the purpose of protecting local natural resources and providing outdoor recreation. The Park District is governed by a three-member Board of Park Commissioners, each of whom serves without pay and is appointed to three-year terms by the Probate Court Judge of Hamilton County. The first Park Board took office on July 17, 1930.

The Board of Park Commissioners appoints a Director who is also the Chief Executive Officer. The Director is responsible for executing policy of the Park Board. Since 1930, the Park District has acquired and conserved over 15,100 acres of parkland, including nineteen parks and nature preserves. The Park District adopted the following mission statement “to preserve and protect natural resources and to provide outdoor recreation and education in order to enhance the quality of life for present and future generations”. Listed below are the names and locations of the parks, nature preserves and greenspace areas owned and/or management by the Park District.

Parks and Nature Preserves Managed by Hamilton County Park District

Embshoff Woods	Newberry Wildlife Sanctuary
Farbach-Werner Nature Preserve	Oak Glen Nature Preserve
Fernbank Park	Richardson Forest Preserve
Francis RecreAcres	Sharon Woods
Glenwood Gardens	Shawnee Lookout
Kroger Hills	Triple Creek
Lake Isabella	Winton Woods
Little Miami Golf Center	Withrow Nature Preserve
Miami Whitewater Forest	Woodland Mound
Mitchell Memorial Forest	

Property Acquired in Fee Simple	Acreage
<u>Embshoff Woods</u> - Paul Road, off Mt. Alverno Road between Delhi Pike and Route 50, Cincinnati and Delhi Township	331
<u>Farbach Werner Nature Preserve</u> - Poole Road and Colerain Avenue, Colerain Township	22
<u>Frances RecreAcres</u> – Conrey Road, north of School Road, Sharonville.	26
<u>Glenwood Gardens</u> - Springfield Pike and Glendale Milford Road	335
<u>Kroger Hills</u> - Off Wooster Pike, between Newtown and Terrace Park, Indian Hill and Columbia Township	3

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Property Acquired in Fee Simple	Acreage
<u>Lake Isabella</u> - Loveland-Madeira Road at I-275, Symmes Township	73
<u>Little Miami Golf Center</u> - Newtown Road between Route 50 and Route 32, Newtown, Anderson and Columbia Townships - 348 acres. (Includes Little Miami Golf Center, Bass Island, Avoca Trailhead.)	408
<u>Miami Whitewater Forest</u> - Harrison Pike, off I-74 at Dry Fork Road exit, Crosby, Harrison and Whitewater Townships	4,282
<u>Mitchell Memorial Forest</u> - Buffalo Ridge Road off Zion Road and East Miami River Road, Miami Township	1,336
<u>Newberry Wildlife Sanctuary</u> – West of I-275, near Sheits and Springdale Roads, Colerain Township	100
<u>Oak Glen Nature Preserve</u> - Colerain Township	109
<u>Richardson Forest Preserve</u> - Off Colerain Avenue between Kemper Road and Lick Road, Colerain Township	239
<u>Sharon Woods</u> - Route 42, south of I-275, Sharonville	730
<u>Shawnee Lookout</u> - South of Route 50 at Cleves, entrance off Lawrenceburg Road, Miami Township	1386
<u>Triple Creek</u> - Buell Road and Pippin Road, north of I-275, Colerain Township	177
<u>Winton Woods</u> - Winton Road, south of I-275, Forest Park, Greenhills, Woodlawn and Springfield Township	1,238
<u>Withrow Nature Preserve</u> - Five Mile Road, between I-275 and Route 52, Anderson Township	141
<u>Woodland Mound</u> - Old Kellogg Avenue, between Eight and Nine Mile Roads, Anderson Township and Pierce Township, Clermont County	1,031
Total of Property Acquired in Fee Simple	<u>11,967</u>

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Property Acquired by Lease	Acreage
<u>Fernbank Park</u> – Leased from Cincinnati Park Board – Route 50 and Thornton Avenue, Cincinnati, expiring December 31, 2017, with three renewal periods of five years. No rental fees.	58
<u>Kroger Hills</u> – Leased from Ohio Department of Natural Resources – Off Wooster Pike, between Newtown and Terrace Park, Indian Hill and Columbia Township, expiring July 25, 2008 with one renewal period of 30 years. No rental fees.	214
<u>Lake Isabella</u> – Leased from Ohio Department of Natural Resources – Loveland-Madeira Road at I-275, Symmes Township, expiring April 7, 2017. No Rental fees.	4
<u>Richardson Forest Preserve</u> – Leased from the Nature Conservancy – Kemper Road and Lick Road, Colerain Township, expiring December 2005 with annual one year renewals. Rental fee \$1 per year.	154
<u>Shawnee Lookout</u> – Leased from U.S. Army Corps of Engineers – South of Route 50 at Cleves, entrance off Lawrenceburg Road, Miami Township, expiring June 30, 2008 with renewal period of five years. No rental fees.	36
<u>Winton Woods</u> – Leased from U.S. Army Corps of Engineers – Winton Road, South of I-275, Forest Park, Greenhills, Woodlawn and Springfield Township, with no expiration date. No rental fee	1,330
<u>Withrow Nature Preserve</u> – Leased from the Nature Conservancy – Five Mile Road, between I-275 and Route 52, Anderson Township, expiring September 15, 2005 with annual one year renewals. Rental fee \$1 per year.	129
Total of all Property Acquired by Lease	1,925
Conservation / Other Easements	Acreage
<u>Little Miami Golf Center & River Corridor</u> – Easement for bike trail purposes near Rt. 32 and the Little Miami River.	8
<u>Mitchell Memorial Forest</u> – Conservation Easement near Buffalo Ridge Road	17
<u>Richardson Forest Preserve</u> – Conservation Easement near Lick Road	20
<u>Shawnee Lookout</u> – Conservation Easements in Great Miami River Floodplain	915
<u>Wegman Conservation Easement-Green Twp.</u> – Conservation Easement and partnership Agreement with Green Township located on Reemelin Road	34
Total of all Conservation/Other Easements	994

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Outleases-Co-operative Arrangements	Acreage
<u>Anderson Township-Forest Realty</u> – To be transferred to Anderson Greenspace I-275 and Asbury Road	6
<u>Broadwell Woods</u> – Leased to Anderson Park District, Broadwell Road, east of Newtown, expiring December 10, 2052 with renewal period of 50 years. No rental fees.	68
<u>I-74 Geenway</u> – Leased to Green Township I-74 east of Race Road, expiring September 18, 2052, with renewal period of 50 years. No rental fees.	1
<u>The Narrows</u> – to be transferred to Delhi Township. Hillside near Bender Road overlooking Ohio River	40
<u>North Bend Canal Tunnel</u> – Miami Whitewater Canal Tunnel – to be leased to Cleves.	1
<u>Northside Woods</u> – Greenspace area east of Mt. Airy Forest – to be leased to Cincinnati Park Board.	50
<u>Spieker Park</u> – 4390 Overton Avenue, Green Township, Leased to Green Township, expiring September 18, 2052 with renewal period of 50 years. No rental fees.	26
<u>William McNEilan Johnson Hills Park</u> – Bridle Road, Anderson Township, leased to Anderson Park District, expiring February 9, 2099. No rental fees.	45
Total of all Out-leases Co-operative Arrangements	237
Total Acreage	15,123

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

B. Reporting Entity

As required by accounting principles generally accepted in the United States of America (GAAP), these financial statements present all funds for which the Park District is financially accountable. The Park District is considered a related organization to Hamilton County, Ohio. This decision is based on the fact that the Board of Commissioners are appointed by the Probate Court Judge of Hamilton County, but Hamilton County cannot impose its will on the Park District in any manner, nor does there exist any financial benefit or burden relationship between the Park District and Hamilton County.

The accompanying financial statements of the Park District are prepared in conformity with GAAP, prescribed in statements and interpretations issued by Governmental Accounting Standards Board (GASB) including GASB Statement No. 34.

C. Basic Financial Statements – Government Wide Statements

The Statement of Net Assets and the Statement of Activities display information about the Park District. These statements include the financial activities of the overall government.

For the government-wide financial statements, eliminations have been made to remove the double reporting of internal activities. These statements distinguish between the governmental and business type activities of the Park District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole, or in part, by fees charged to external parties for goods or services. Program revenues for both types of activities include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or activity. Taxes and other items not properly included among program revenues are reported as general revenues.

The Statement of Net Assets reports all financial and capital resources using the economic resources measurement focus and the accrual basis of accounting. The Park District presents the statement in a format that displays *assets less liabilities equal net assets*. *Net assets* is displayed in three components:

- The *Invested in Capital Assets, Net of Related Debt* component consists of capital assets, net of accumulated depreciation with no related outstanding debt.
- The *Restricted Net Assets* component represents net assets with constraints placed on their use that are either 1.) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or 2.) imposed by law through constitutional provisions or enabling legislation.
- The *Unrestricted Net Assets* component consists of net assets that do not meet the definition of the preceding two components.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

D. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Park District are reported in individual funds in the Fund Financial Statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in the fund financial statements is on the major funds in either the governmental or business-type activities categories. Each major fund is presented in a separate column in the statements. Nonmajor funds, by category, are summarized into a single column.

The following fund types are used by the Park District:

1. Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Park District:

- a. **General Fund** is the general operating fund of the Park District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Capital Projects Fund** is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds).
- c. **Mitchell Trust Fund** is used to account for the initial bequest from William Morris Mitchell and the subsequent accumulation of income, expenditures for contiguous land, construction, maintenance and operations of the Mitchell Memorial Forest.
- d. **Other Funds** are comprised of other Government/Drug Enforcement Funds, expendable trust funds and other special revenue funds.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

2. Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary funds principal on going operations. Revenues and expenses not meeting this definition are reported as non operating revenues and expenses. The Park District applies all Financial Accounting Standards Board (FASB) pronouncements that were issued on or before November 30, 1989, unless the FASB pronouncement conflicts with or contradicts a GASB pronouncement. The Park District has elected not to apply FASB pronouncements issued after November 30, 1989. The following is a description of the proprietary fund of the Park District:

Enterprise Fund - The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Park District operates within this fund, golf courses, fishing and boating locations, riding center, food service facilities, sale of golf and fishing merchandise, and athletic facilities.

E. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Principal revenue sources considered susceptible to accrual include property and other taxes, state and federal grants, interest on investments, and fines. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

F. Pooled Cash and Cash Equivalents

The Park District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Cash Equivalents". Investments with original maturities of three months or less are considered to be cash equivalents. Cash equivalents are recorded at cost, which approximates market value. Interest earned from investments purchased with pooled cash is allocated to the funds, based on amounts in the pool, unless otherwise restricted by statute.

G. Investments

Investments are reported at fair value. Investments consist of securities owned by the Park District that are traded on a national exchange and valued at quoted market prices.

H. Inventories

Inventory is valued at the lower of cost or market, using first-in, first-out (FIFO) method. The costs of inventory items are recognized as expenses in the Enterprise Fund when sold or consumed.

I. Capital Assets

Governmental-type capital assets include land, buildings, furniture and fixtures, machinery and equipment, vehicles, and infrastructure owned by the Park District and are stated at historical or estimated historical cost. Donated assets are stated at estimated market value at the time of donation. All capital assets in excess of \$1,000 are capitalized.

Depreciation for governmental-type capital assets is provided using the straight-line method over the estimated life of the assets. Depreciation lives used for property items within each property classification are as follows:

Buildings	30 years	Parking	10 years
Machinery/Equipment	7 years	Trails	20 years
Vehicles	5 years	Sewers	20 years
Furniture/Fixtures	7 years	Dams	30 years
Water Supply	20 years	Bridges	30 years

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

Capital assets for the business-type activities (Enterprise Fund) in excess of \$1,000 are recorded at historical cost. Depreciation is charged as an expense against operations and capital assets are recorded net of accumulated depreciation on the *Statement of Net Assets*. See Note 8 for accumulated depreciation by asset class.

Depreciation in the business-type activities (Enterprise Fund) is provided using the straight-line method over the estimated lives of the assets. Depreciable lives used for property items within each property classification are as follows:

Buildings	30 Years
Machinery/Equipment	7 Years
Vehicles	5 Years
Furniture/Fixtures	7 Years

J. Compensated Absences

The Park District records accumulated unpaid sick leave, vacation, holiday and comp time benefits as compensated absences payable when earned by the employee.

Vacation - Full and part-time employees are eligible for vacation after completing one year of service with the Park District. One year is computed on the basis of 26 pay periods. After one year of service, employees may use current vacation accrual with approval from supervisor. Seasonal and hourly employees who become full or part-time will begin their accruals after 26 pay periods of continuous employment. Accrual of vacation time is as follows:

<u>Years of Service</u>	<u>Vacation Hours Earned Per 80 Hours Worked</u>	<u>Total Earned Per Year</u>
1 to 8 years	3.1 hours/80 hrs/pay	10 days/year
9 to 15 years	4.6 hours/80 hrs/pay	15 days/year
16 to 25 years	6.2 hours/80 hrs/pay	20 days/year
26 plus years	7.7 hours/80 hrs/pay	25 days/year

At the end of the 8th, 15th and 25th year, an employee will accrue an additional 40 hours of vacation leave and progress to the next accrual level.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

Vacation pay for eligible employees is based on current rate of pay. Overtime hours are not counted in computing vacation time. Any employee who works less than 2080 hours per year, will have vacation time determined by the percentage of the total hours they work. No vacation time is earned while an employee is on an unpaid leave of absence or an unpaid military leave.

Vacation time may be accumulated to a maximum of that earned in three years. At the time of an employee's termination, the employee is entitled to compensation at their current rate of pay for any earned but unused vacation leave up to a maximum of three years.

Sick Leave - accumulates at the rate of 4.6 hours every 80 hours worked with a maximum of 15 days per year. There is no maximum accumulation. It is to be used as needed and approved. Upon retirement or termination, an employee with 10 years or more of active service may receive a one-time payment. The payment is computed at one hour pay for each two hours of accrued sick leave but limited to accrued sick leave up to a maximum of 720 hours. At December 31, 2004 the Park District recorded a liability for sick leave totaling \$1,714,151 in accordance with GASB Statement No. 16, whereby sick leave is expensed and accrued only for probable retirees in the upcoming three years.

Comp Time - Depending on the employee's position, comp time may be earned at regular or time and a half rate. The maximum accumulation for non-exempt employees is 240 hours of comp time and comp time earned in excess of the maximum is paid to the employee. Exempt employees are required to take current year comp time by April of the following year.

Long-term obligations for vested sick leave, vacation and comp time and any claims or judgments are shown in the Statement of Net Assets. Unpaid vacation, sick leave and comp time, are computed as prescribed in GASB Statement Number 16. There is no accrual in Government Funds since amounts are not due for terminated employees. A full accrual for future amounts due is presented as compensated absences in government wide statements. See Footnote number 9.

K. Inter-Fund Transactions

During the normal course of operation, the Park District has certain transactions between funds. Charges from the General Fund to the Enterprise Fund and Other Funds for administration, maintenance, utilities and other costs are identified as Charges for Services (Revenue) by the General Fund and Expenditures in the Enterprise Fund and Other Funds. All other inter-fund transactions are reported as transfers.

Amounts identified as Interfund Receivable/Payable represent lending/borrowing arrangements outstanding at year's end. All other outstanding balances between funds are reported as "due to/from other funds."

L. Use of Restricted/Unrestricted Net Assets

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the Park District's policy is to apply restricted net assets first.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 2. Deposits, Investments and Investment Return

Deposits

Custodial credit risk is the risk that in the event of a bank failure, government's deposits may not be returned to it. The Park District deposit policy for custodial risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities or the state of Ohio; bonds of any city, county, school district or special road district of the state of Ohio; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits.

At December 31, 2004, \$1,103,541 of the Park District's bank balances of \$1,203,541 were exposed to custodial credit risk as these deposits were uninsured and collateral held was in other than the Park District's name.

Investments

The Park District may legally invest in direct obligations of, and other obligations guaranteed as to principal by, the U.S. Treasury and U.S. agencies and instrumentalities. The Park District may not purchase corporate bonds, stocks or notes. Donations of these items may be held until such time as the Board of Park Commissioners deems it advisable to sell such items.

At December 31, 2004, the Park District had the following investments and maturities:

Money Market mutual funds	\$	3,185
Corporate Stocks		<u>4,068,452</u>
	\$	<u><u>4,071,637</u></u>

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Interest Rate Risk As a means of limiting its exposure to fair value losses arising from rising interest rates, the Park District investment policy limits all maturities to a maximum of two years. The money market mutual funds are presented as an investment with a maturity of less than one year because they are redeemable in full immediately.

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligation. It is the Park Districts policy to limit its investments to those permitted by state law, donated corporate stock or corporate bonds. Purchases of corporate stock, corporate bonds, or obligations of political subdivisions other than the State of Ohio are prohibited.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Park District will not be able to recover the value of its investment or collateral securities that are in possession of an outside party. All investments in corporate stock are held in Park District's name. The Park District's investment policy does not address custodial credit risk.

Concentration of Credit Risk. The Park District limits investments with one issuer to no more than 50% of the investment portfolio, or \$1,000,000 which ever is less, except as follows:

- (a) Donated corporate stock, no limit.
- (b) External Investment Pool, (STAR OHIO) secured by U.S. Treasury obligations, no limit.
- (c) Fifth Third Bank. Balances totally collateralized with U.S. Treasury Securities, no limit.

Summary of Carrying Values

The carrying values of deposits and investments shown above are included in the balance sheets as follows:

Carrying value	
Deposits	\$ 2,695,438
Investments	<u>4,068,452</u>
	\$ <u>6,763,890</u>
Included in the following statement of net assets	
captions	
Cash and cash equivalents	\$ 2,695,438
Investments	<u>4,068,452</u>
	\$ <u>6,763,890</u>

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Investment Income

Investment Income for the year ended December 31, 2004 consisted of:

Interest and dividend income	\$ 133,854
Net increase in fair value of investments	<u>395,526</u>
	<u>\$ 529,830</u>

Note 4. Property Tax Revenues

Property taxes include amounts levied against real, public utility and tangible (used in business) property. The assessed value upon which the 2004 tax collection was based follows: (Amounts in 000's.)

Real Property –2003 Valuation	
Residential/Agricultural	\$ 11,461,565
Commercial/Industrial/Public Utilities	4,755,950
Tangible Personal Property – 2004 Valuation	
General	1,750,930
Public Utilities	<u>755,400</u>
Total Valuation	<u>\$ 18,723,845</u>

The County Treasurer bills and collects property taxes on behalf of all taxing districts in Hamilton County, including the Hamilton County Park District. Taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. The county's practice is to extend the December 31 due date to January. Unpaid taxes become delinquent after December 31 of the year they are due. Foreclosure proceedings may be initiated by the County Prosecutor if delinquent taxes are not paid within one year.

The County Auditor periodically remits to the Hamilton County Park District its portion of the taxes collected. The final settlement of real and public utility property taxes is made in April and September and tangible taxes in July and November for the first and second halves of the year, respectively. Collections of the taxes are accounted for in these statements.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 3. Property Tax Revenues (continued)

The Hamilton County Park District accrues property taxes as receivables since they can be measured and recorded when levied and recognizes them as deferred revenue since they are recorded in advance of the year for which they are levied. Property taxes are recognized as revenue in the year for which they are levied.

The Park District property tax is generated from two sources. The first is an unvoted .03 mill levy granted annually by the Hamilton County Commissioners. The second is a replacement levy of 1.0 mill which is scheduled to expire in 2016 and is not subject to a reduction factor.

Note 4. Operating Lease

The Park District leases various park properties, land and water, over varying periods. None of the agreements contain unusual renewal or purchase options. The Park District is responsible for preservation and maintenance of the properties. Future minimum rental payments under operating leases are \$1 per year for 2005 to 2009.

The Park District leases certain undeveloped land to other park districts for various terms at no charge..

Note 5. Defined Benefit Plans

All full time and part time employees are required to join the Public Employees Retirement System of Ohio (PERS). PERS is a cost-sharing, multiple-employer defined Benefit Pension Plan operated by the State of Ohio. PERS issues a stand-alone Comprehensive Annual Financial Report, copies of which may be obtained by making a written request to: Public Employees Retirement System of Ohio, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 466-2085.

Pension Benefits - PERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. Employees with five years of service are entitled to future benefits. Non law enforcement participants may retire at any age with 30 years of service, at or after age 60 with five years of credited service and at age 55 with a minimum of 25 years of service. Those individuals retiring with less than 30 years of service or less than age 65 receive reduced retirement benefits. Upon retirement, non law enforcement participants are entitled to a retirement benefit, payable monthly for life, equal to 2.2% of their final average salary for each year of credited service up to 30 years. These members are entitled to 2.5% of their final average salary for each year of service in excess of 30 years. Final average salary is calculated as the participant's average salary over the highest three years of earnings. Law enforcement officers, as defined in Chapter 145 of the Ohio Revised Code, are eligible for special retirement options. These options are available to such members at age 48 or older with 25 or more years of credited service. The annual benefit is calculated by multiplying 2.5 percent of final average salary by the actual years of service for the first 25 years of service credit and 2.1 percent of final average salary for each year of service over 25 years. These options also permit early retirement under qualifying circumstances as early as age 48.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Pension Contributions - Employer and employee required contributions to PERS are established under Chapter 742 of the Ohio Revised Code and are based on percentages of covered employees' gross salaries. Contribution rates are calculated annually by the PERS actuaries. Contribution rates for calendar year 2004 were as follows:

	<u>Employee Share</u>	<u>Employer Share</u>
Regular Employees	8.50%	13.55%
Law Enforcement Employees	10.10%	16.70%

Employer contributions required and made for the last three years were as follows:

<u>For the Year Ended December 31</u>	<u>Employer's Contribution for Regular Employees</u>	<u>Employer's Contribution for Law Enforcement Employees</u>
2004	\$ 929,447	\$ 285,571
2003	926,451	258,775
2002	894,110	245,166

Other Post-employment Benefits - All age and service retirees with 10 or more years of service credit qualify for healthcare coverage under PERS. Healthcare coverage for disability recipients and primary survivor recipients is also available. Chapter 145, Ohio Revised Code, provides the statutory authority for employer contributions. The employer contribution rate for all employees to fund healthcare is 5% included in the total employer rate (13.55% and 16.70%). Employees do not fund any portion of healthcare costs.

The 2004 actuarially determined employer healthcare contribution requirement paid was:

Regular Employees	\$ 543,535
Law Enforcement Employees	<u>122,038</u>
	<u>\$ 665,573</u>

Note 6. Commitments

The Park District has contractual commitments to various vendors for future supplies and services for the Park District. Determinable amounts are recorded as encumbrances at December 31, 2004, as follows:

General Fund	\$ 665,606
Capital Projects Fund	836,078
Other Funds	<u>95,234</u>
	<u>\$ 1,596,918</u>

The Park District is the beneficiary of certain assets held in two charitable remainder trusts. Upon the death of the last surviving noncharitable recipient of the trust, the Park District shall receive all of the principal and income of these trusts.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 7. Capital Assets

A. Governmental Activities - changes in capital assets during the year ended December 31, 2004 is as follows:

	Balance January 1, 2004	Additions	Deletions	Balance December 31, 2004	Less Accumulated Depreciation	Net Book Value
Land	\$ 45,235,234	\$ 4,918,456	\$ 152,100	\$ 50,001,590	\$	\$ 50,001,590
Land Improvements	4,537,831	124,435		4,662,266	652,220	4,010,046
Buildings	21,272,168	1,180,747		22,452,915	9,326,196	13,126,719
Equipment	4,400,986	204,776	84,220	4,521,542	3,926,589	594,953
Vehicles	2,213,729	267,390	178,555	2,302,564	1,804,715	497,849
Infrastructure	4,688,431	945,106		5,633,537	840,901	4,792,636
Leasehold improvements		<u>1,411,432</u>		<u>1,411,432</u>		<u>1,411,432</u>
	<u>\$ 82,348,379</u>	<u>\$ 9,052,342</u>	<u>\$ 414,875</u>	<u>\$ 90,985,846</u>	<u>\$ 16,550,621</u>	<u>\$ 74,435,225</u>

B. Changes in Accumulated Depreciation - Governmental Activities for the year ended December 31, 2004 are as follows:

	Balance January 1, 2004	Additions	Deletions	Accumulated Depreciation December 31, 2004
Land Improvements	\$ 497,118	\$ 155,102	\$	\$ 652,220
Buildings	8,542,876	783,320		9,326,196
Equipment	3,681,891	328,918	84,220	3,926,589
Vehicles	1,578,411	266,462	40,158	1,804,715
Infrastructure	<u>532,203</u>	<u>308,698</u>		<u>840,901</u>
	<u>\$ 14,832,499</u>	<u>\$ 1,842,500</u>	<u>\$ 124,378</u>	<u>\$ 16,550,621</u>

C. Business Activities – Changes in capital assets during the year ended December 31, 2004 are as follows:

	Balance January 1, 2004	Additions	Deletions	Balance December 31, 2004	Less Accumulated Depreciation	Net Book Value
Land	\$ 2,579,126	\$	\$	\$ 2,579,126	\$	\$ 2,579,126
Building and Improvements	19,575,704	726,464	28,453	20,273,715	9,862,626	10,411,089
Equipment	4,101,549	290,578	83,296	4,308,831	3,663,838	644,993
Vehicles	<u>254,207</u>	<u>22,517</u>	<u>12,800</u>	<u>263,924</u>	<u>243,934</u>	<u>19,990</u>
	<u>\$ 26,510,586</u>	<u>\$ 1,039,559</u>	<u>\$ 124,549</u>	<u>\$ 27,425,596</u>	<u>\$ 13,770,398</u>	<u>\$ 13,655,198</u>

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 7. Capital Assets (continued)

D. Changes in Accumulated Depreciation – Business Activities for the year ended December 31, 2004 is as follows:

	Accumulated Depreciation <u>January 1, 2004</u>	<u>Additions</u>	<u>Deletions</u>	Accumulated Depreciation <u>December 31, 2004</u>
Building and Improvements	\$ 9,145,363	\$ 745,716	\$ 28,453	\$ 9,862,626
Equipment	3,355,071	392,063	83,296	3,663,838
Vehicles	<u>217,112</u>	<u>39,622</u>	<u>12,800</u>	<u>243,934</u>
	<u>\$ 12,717,546</u>	<u>\$ 1,177,401</u>	<u>\$ 124,549</u>	<u>\$ 13,770,398</u>

Note 8. Risk Management

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. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years, nor has there been a significant reduction in insurance coverage in the same period.

The Park District pays into the State of Ohio Bureau of Workers Compensation System at a group rate based on gross salaries. Workers claims are submitted to the State of Ohio for authorization and payment to the injured employee. The Park District has no further risk. The State of Ohio establishes employer payments, employee payments, and adequate reserves.

Note 9. Compensated Absences

A summary of changes in amount due for compensated absences is as follows:

	Balance <u>January 1, 2004</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>December 31, 2004</u>
Governmental activities	\$ 1,442,451	\$ 205,545	\$ 8,151	\$ 1,639,845
Business type activities	<u>68,339</u>	<u>6,743</u>	<u>776</u>	<u>74,306</u>
Total	<u>\$ 1,510,790</u>	<u>\$ 212,288</u>	<u>\$ 8,927</u>	<u>\$ 1,714,151</u>

Compensated absences will be paid from the fund in which employees salaries are paid which in prior years has typically been from the general fund and enterprise fund.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 10. Due to/From Other Funds

Individual fund asset and liability balances at December 31, 2004 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Evergreen Fund	General Fund	\$ 300,000
Enterprise Fund	General Fund	663,925
Capital Project Fund	Enterprise Fund	3,063,247

The balances represent timing differences related to routine transfers for operating and capital transactions.

As reported herein, transfer in and transfer out are as follows:

GENERAL FUND		
Transfer out to		
Capital Project Fund		\$ 7,113,344
Mitchell Fund		1,563
Other Funds		<u>11,389</u>
Total		<u>\$ 7,126,296</u>
Transfers in are:		
MITCHELL FUND		
Transfers in from General Fund	1,563	
CAPITAL PROJECT FUND		
Transfers in from General Fund	7,113,344	
OTHER FUNDS		
Transfers in from General Fund	<u>11,389</u>	
Total	<u>\$ 7,126,296</u>	

Transfers from the General Fund to the Capital Projects fund represent the Park District's funding of capital projects.

Note 11. Governmental Activities and Business Activities Unrestricted Net Assets Negative Balances

The negative balance in the unrestricted net assets for governmental activities and business activities is the result of net assets reserved for capital assets.

**REQUIRED SUPPLEMENTARY
INFORMATION**

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HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2004

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	Variance Between Actual and Revised <u>Budget</u>
Revenues				
Taxes	\$ 18,064,000	\$ 18,288,700	\$ 18,322,723	\$ 34,023
Motor Vehicle Permits	830,000	830,000	799,977	(30,023)
Charges for Service	4,971,800	4,971,800	4,612,621	(359,179)
Fines and Damage	13,000	13,000	14,017	1,017
Interest and Dividends.....	150,000	150,000	65,677	(84,323)
Miscellaneous.....	1,396,000	2,796,717	943,580	(1,853,137)
Grants	456,500	835,030	1,031,840	196,810
Total Revenue	25,881,300	27,885,247	25,790,435	(2,094,812)
Expenditures				
General Government	4,452,800	5,011,674	4,816,753	(194,921)
Public Safety	3,590,800	3,593,800	3,565,231	(28,569)
Operation and Maintenance	7,510,900	7,522,518	7,418,508	(104,010)
Land Management.....	338,100	338,100	306,000	(32,100)
Resource Quality.....	184,800	184,800	169,487	(15,313)
Naturalist.....	1,410,600	1,416,073	1,359,986	(56,087)
Communication	659,300	715,754	701,048	(14,706)
Visitor Services	1,871,100	2,526,892	2,421,251	(105,641)
Total Expenditures	20,018,400	21,309,611	20,758,264	(551,347)
Excess of revenues over expenditures	5,862,900	6,575,636	5,032,171	(1,543,465)
Other Financing Sources (Uses)				
Transfers in.....		865,879		(865,879)
Transfers out.....	(5,862,900)	(7,747,886)	(7,747,839)	47
Deficiency of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ (306,371)	(2,715,668)	\$ (2,409,297)
Fund Balances, Beginning of Year			(78,130)	
Prior Year Encumbrances			944,621	
Fund Balances, End of Year			\$ (1,849,177)	

See accompanying notes to required supplementary information.

HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis)
Mitchell Fund
For the Year Ended December 31, 2004

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	Variance Between Actual and <u>Revised Budget</u>
Revenues				
Sale of stock	\$ 500,000	\$ 500,000	\$ 384,716	\$ (115,284)
Interest and dividends.....	99,800	99,800	83,138	(16,662)
Total Revenue.....	<u>599,800</u>	<u>599,800</u>	<u>467,854</u>	<u>(131,946)</u>
Expenditures				
Salaries	39,400	39,900	39,825	(75)
Fringe	9,300	8,800	5,283	(3,517)
Supplies	29,100	28,800	9,225	(19,575)
Utilities	9,300	9,600	7,167	(2,433)
Miscellaneous.....	25,000	24,029	1,753	(22,276)
Capital	108,700	51,000	3,896	(47,104)
Total Expenditures	<u>220,800</u>	<u>162,129</u>	<u>67,149</u>	<u>(94,980)</u>
Excess (deficiency) of revenues over expenditures	379,000	437,671	400,705	(36,966)
Other Financing Sources				
Transfers in.....	1,000	1,000	1,563	563
Transfers out.....	(580,000)	(580,000)	(580,000)	
Excess (deficiency) of revenue and other financing sources over expenditures	<u>\$ (200,000)</u>	<u>\$ (141,329)</u>	<u>(177,732)</u>	<u>\$ (36,403)</u>
Fund Balance, Beginning of Year			3,427,675	
Fund Balance, End of Year			<u><u>\$3,249,943</u></u>	

See accompanying notes to required supplementary information.

HAMILTON COUNTY PARK DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Process

Budget - A budget of estimated cash receipts and disbursements is submitted to the County Auditor, who serves as Secretary of the County Budget Commission, by July 20 of each year for the period of January 1 to December 31 of the following year.

Estimated Resources - The County Budget Commission certifies its actions to the Park District by September 1. As part of this certification, the Park District receives the official certificate of estimated resources which states the projected receipts of each fund. On or about January 1, this certificate is amended to include any unencumbered balances from the preceding year. Prior to December 31, the Park District must revise its budget so that the total budgeted expenditures from a fund during the ensuing fiscal year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the annual appropriation measure. Budget receipts, as shown on the accompanying financial statements, do not include January 1, 2003 unencumbered fund balances. However, those fund balances are available for appropriations.

Appropriations - A temporary appropriation measure to control cash disbursements may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. The appropriation measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources, as certified.

Encumbrances - The Park District is required to use the encumbrance method of accounting by mandate of Ohio law. Under this system, purchase orders, contracts and other commitments for the expenditure of funds are recorded on the Non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be reappropriated.

All governmental and proprietary fund types of the Park District have legally adopted budgets at the departmental level for estimated resources and appropriations. Revisions to estimated resources or budgeted appropriations must be approved by the Board of Park Commissioners and submitted to the Hamilton County auditor. Division directors are responsible for operating within the approved budget, as periodically amended. Transfer of appropriations within departments does not require approval of the Board of Park Commissioners.

HAMILTON COUNTY PARK DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Process (continued)

Listed below is a reconciliation of the results of operations for the year ended December 31, 2004 from modified accrual (GAAP) basis to the Non-GAAP budgetary basis.

Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses

	General <u>Fund</u>	Mitchell <u>Fund</u>
GAAP Basis:	\$ (1,271,748)	\$ 256,128
Adjustments:		
Revenue Accrued	(316,825)	(345,751)
Expenses Accrued	72,376	491,891
Encumbrances Change	(720,521)	
Transfer out	<u>(478,950)</u>	<u>(580,000)</u>
Budget Basis:	\$ <u>(2,715,668)</u>	\$ <u>(177,732)</u>

OTHER SUPPLEMENTARY INFORMATION

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HAMILTON COUNTY PARK DISTRICT
Combining Balance Sheet
Non-Major Governmental Funds
For the Year ended December 31, 2004

	Law Enforcement Fund	Law Enforcement and Education Fund	Drug Law Enforcement Fund	Evergreen Fund	Burchenal Fund	Benedict Fund	Total Non Major Governmental Funds
Assets							
Cash and cash equivalents	\$ 7,382	\$ 2,239	\$ 6,073	\$ 980,637	\$ 2,186	\$ 2,930	\$ 1,001,447
Investments					1,184,134		1,184,134
Due from other funds				300,000			300,000
Total assets	<u>\$ 7,382</u>	<u>\$ 2,239</u>	<u>\$ 6,073</u>	<u>\$ 1,280,637</u>	<u>\$ 1,186,320</u>	<u>\$ 2,930</u>	<u>\$ 2,485,581</u>
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$	\$	\$	\$ 15,411	\$	\$	\$ 15,411
Total liabilities				<u>15,411</u>			<u>15,411</u>
Fund Balances:							
Reserved for encumbrances				91,348	195	3,691	95,234
Unreserved	7,382	2,239	6,073	1,173,878	1,186,125	(761)	2,374,936
Total fund balances	<u>7,382</u>	<u>2,239</u>	<u>6,073</u>	<u>1,265,226</u>	<u>1,186,320</u>	<u>2,930</u>	<u>2,470,170</u>
Total Liabilities and Fund Balances	<u>\$ 7,382</u>	<u>\$ 2,239</u>	<u>\$ 6,073</u>	<u>\$ 1,280,637</u>	<u>\$ 1,186,320</u>	<u>\$ 2,930</u>	<u>\$ 2,485,581</u>

HAMILTON COUNTY PARK DISTRICT
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non Major Governmental Funds
December 31, 2004

	Law Enforcement Fund	Law Enforcement and Education Fund	Drug Law Enforcement Fund	Evergreen Fund	Burchenal Fund	Benedict Fund	Total Non Major Governmental Fund
Revenues							
Donations and grants	\$	\$	\$	\$ 349,920	\$	\$	\$ 349,920
Investment income					117,207		117,207
Miscellaneous		200	6,743				6,943
Total revenue		200	6,743	349,920	117,207		474,070
Expenditures							
Operation and Maintenance	535	270	2,986	313,360	303,880	759,667	1,380,698
Total expenditures	535	270	2,986	313,360	303,880	759,667	1,380,698
Excess (Deficiency) of Revenues	(535)	(70)	3,757	36,560	(186,673)	(759,667)	(906,628)
Other Financing Sources (Uses)							
Transfers in	55	19	30	8,565	856	1,864	11,389
Transfers out							
Total other financing sources (uses)	55	19	30	8,565	856	1,864	11,389
Net Change In Fund Balances	(480)	(51)	3,787	45,125	(185,817)	(757,803)	(895,239)
Fund Balances, Beginning of Year	7,862	2,290	2,286	1,220,101	1,372,137	760,733	3,365,409
Fund Balances, End of Year	\$ 7,382	\$ 2,239	\$ 6,073	\$ 1,265,226	\$ 1,186,320	\$ 2,930	\$ 2,470,170

OTHER BUDGETARY INFORMATION

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GOVERNMENTAL FUNDS

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GENERAL FUND

The General Fund is the general operating fund of the Park District. It is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

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HAMILTON COUNTY PARK DISTRICT
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis) by Department
General Fund
For the Year Ended December 31, 2004

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	Variance Between Actual and <u>Revised Budget</u>
Revenues				
Taxes	\$ 18,064,000	\$ 18,288,700	\$ 18,322,723	\$ 34,023
Motor Vehicle Permits	830,000	830,000	799,977	(30,023)
Charges for Service	4,971,800	4,971,800	4,612,621	(359,179)
Fines and Damage	13,000	13,000	14,017	1,017
Interest and Dividends.....	150,000	150,000	65,677	(84,323)
Miscellaneous.....	1,396,000	2,796,717	943,580	(1,853,137)
Grants	456,500	835,030	1,031,840	196,810
Total revenue	25,881,300	27,885,247	25,790,435	(190,411)
Expenditures				
Administration Department				
Salaries	1,480,100	1,491,200	1,427,988	(63,212)
Fringes.....	389,000	393,800	358,223	(35,577)
Supplies.....	612,400	693,524	626,532	(66,992)
Insurance Utilities	318,500	266,500	261,890	(4,610)
Miscellaneous.....	510,100	505,454	491,821	(13,633)
Capital Outlay	1,142,700	1,661,196	1,650,299	(10,897)
Total Administration Department	4,452,800	5,011,674	4,816,753	(194,921)
Safety Department				
Salaries	2,564,100	2,576,100	2,576,028	(72)
Fringes.....	747,600	747,600	746,134	(1,466)
Supplies.....	134,700	122,300	118,870	(3,430)
Insurance Utilities	4,500	4,900	4,590	(310)
Miscellaneous.....	18,400	18,400	7,356	(11,044)
Capital Outlay	121,500	124,500	112,253	(12,247)
Total Safety Department	3,590,800	3,593,800	3,565,231	(28,569)
Operations Department				
Salaries	3,848,300	3,832,423	3,799,968	(32,455)
Fringes.....	1,070,100	1,071,900	1,042,023	(29,877)
Supplies.....	1,217,800	1,205,616	1,176,840	(28,776)
Insurance Utilities	957,800	1,013,491	1,007,559	(5,932)
Miscellaneous.....	13,300	9,325	7,306	(2,019)
Capital Outlay	403,600	389,763	384,812	(4,951)
Total Operations Department	7,510,900	7,522,518	7,418,508	(104,010)

(continued)

HAMILTON COUNTY PARK DISTRICT
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis) by Department - continued
General Fund
For the Year Ended December 31, 2004

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	Variance Between Actual and <u>Revised Budget</u>
Land Management Department				
Salaries	\$ 231,200	\$ 231,200	\$ 213,268	\$ (17,932)
Fringes.....	66,700	66,700	62,716	(3,984)
Supplies.....	39,400	39,400	29,746	(9,654)
Miscellaneous.....	800	800	270	(530)
Total Land Management Department	338,100	338,100	306,000	(32,100)
Resource Quality Department				
Salaries	123,400	123,400	119,143	(4,257)
Fringes.....	43,100	43,100	36,690	(6,410)
Supplies.....	17,400	17,400	13,348	(4,052)
Miscellaneous.....	900	900	306	(594)
Total Resource Quality Department	184,800	184,800	169,487	(15,313)
Naturalist Department				
Salaries	782,800	790,800	790,615	(185)
Fringes.....	225,800	228,400	228,350	(50)
Supplies.....	375,000	367,145	314,051	(53,094)
Miscellaneous.....	7,000	7,000	6,486	(514)
Capital Outlay	20,000	22,728	20,484	(2,244)
Total Naturalist Department	1,410,600	1,416,073	1,359,986	(56,087)
Communications Department				
Salaries	282,100	282,100	279,940	(2,160)
Fringes.....	75,400	76,100	74,387	(1,713)
Supplies.....	300,400	354,569	343,898	(10,671)
Miscellaneous.....	1,400	1,900	1,826	(74)
Capital Outlay		1,085	997	(88)
Total Communications Department	659,300	715,754	701,048	(14,706)

(continued)

HAMILTON COUNTY PARK DISTRICT
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis) by Department - continued
General Fund
For the Year Ended December 31, 2004

	Original Budget	Revised <u>Budget</u>	<u>Actual</u>	Variance Between Actual and <u>Revised Budget</u>
Visitor Services Department				
Salaries	\$	\$	\$	\$
Fringes.....				
Supplies.....	565,000	798,659	728,085	(70,574)
Miscellaneous.....		1,900	774	(1,126)
Capital Outlay	1,306,100	1,726,333	1,692,392	(33,941)
Total Visitor Services Department	<u>1,871,100</u>	<u>2,526,892</u>	<u>2,421,251</u>	<u>(105,641)</u>
Total Expenditures	<u>20,018,400</u>	<u>21,309,611</u>	<u>20,758,264</u>	<u>(551,347)</u>
Excess of Revenues over Expenditures	5,862,900	6,575,6365	5,032,171	(1,543,465)
Other Financing Sources (Uses)				
Transfers In.....		865,879		(865,789)
Transfers Out.....	(5,862,900)	(7,747,886)	(7,747,839)	47
Deficiency of revenues and Other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ (306,371)</u>	<u>\$ (2,715,668)</u>	<u>\$ (2,409,297)</u>
Fund Balance, Beginning of Year			(78,130)	
Prior Year Encumbrances			944,621	
Fund Balance, End of Year			<u>\$ (1,849,177)</u>	

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SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS ARE USED TO ACCOUNT FOR SPECIFIC GOVERNMENTAL REVENUES (OTHER THAN MAJOR CAPITAL PROJECTS) REQUIRING SEPARATE ACCOUNTING BECAUSE OF LEGAL OR REGULATORY PROVISIONS OR ADMINISTRATIVE ACTION AND EXPENDITURES FOR SPECIFIED PURPOSE.

LAW ENFORCEMENT FUND – To account for money which is contraband or is derived from sale of contraband. Ten percent is to be used for community prevention programs and 90% for discretionary law enforcement projects.

LAW ENFORCEMENT AND EDUCATION FUND – To account for fines related to driving under the influence (DUI) of drugs or alcohol. This fund may be spent on any DUI related enforcement or education programs.

DRUG LAW ENFORCEMENT FUND – To account for drug fines remitted by the Courts. The fund may be used for efforts that pertain to drug offenses.

MITCHELL TRUST FUND (Mitchell Memorial Forest) - To account for initial bequest from William Morris Mitchell, subsequent accumulation of income, expenditures for contiguous land, construction, maintenance and operations of the Mitchell Memorial Forest. The Detailed Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual is located in the Required Supplementary Information Section of this report.

BENEDICT TRUST FUND – Established as an expendable trust fund for protection and development of property located on Springfield Pike, Woodlawn, Ohio.

BURCHENAL TRUST FUND - Established as an expendable trust for establishment of trails, garden and appropriate memorial and other capital improvements on Burchenal Tract – Glenwood Gardens, Woodlawn, Ohio.

EVERGREEN FUND - To account for donations identified by the donor to be used for a specific purpose and to account for the following separate funds which are combined for reporting purposes:

- Estate of Betty Martin
- Estate of Virginia Miller
- Mildred Foman Trust
- Newberry Wildlife Sanctuary Fund
- Estate of Margaret Embshoff
- Others

HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP Budgetary Basis)
Non Major Special Revenue Funds
For the Year Ended December 31, 2004

	Law Enforcement Fund			
	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance between Actual and Revised Budget</u>
Revenues				
Donations	\$ 100	\$	\$	\$
Miscellaneous.....				
Total Revenues	<u>100</u>			
Expenditures				
Miscellaneous.....	5,100	8,462	534	7,928
Total Budgetary Expenses	<u>5,100</u>	<u>(8,462)</u>	<u>534</u>	<u>7,928</u>
Excess (Deficiency) of Revenue Over (Under) Budgetary Expenditures	(5,000)	(8,462)	(534)	7,928
Other Financing Sources				
Transfers In	-	200	55	(145)
Net Change in Fund Balance	<u>\$ (5,000)</u>	<u>\$ (8,262)</u>	<u>(479)</u>	<u>\$ 7,783</u>
Budgetary Fund Balances, Beginning of Year			<u>8,362</u>	
Budgetary Fund Balances, End of Year			<u>\$ 7,883</u>	

Law Enforcement and Education Fund				Drug and Law Enforcement Fund			
Original Budget	Revised Budget	Actual	Variance between Actual and Revised Budget	Original Budget	Revised Budget	Actual	Variance between Actual and Revised Budget
\$ 100	\$	\$	\$	\$ 4,000	\$ 5,000	\$ 6,772	\$ 1,772
100		-		4,000	5,000	6,772	1,772
2,100	2,890	270	2,620	5,000	6,292	2,986	3,306
2,100	2,890	270	2,620	5,000	6,292	2,986	3,306
(2,000)	(2,890)	(270)	2,620	(1,000)	(1,292)	3,786	5,078
100	100	218	118		100	30	(70)
<u>\$ (1,900)</u>	<u>\$ (2,790)</u>	(52)	<u>\$ 2,738</u>	<u>\$ (1,000)</u>	<u>\$ (1,192)</u>	3,816	<u>\$ 5,008</u>
		<u>2,627</u>				<u>2,393</u>	
		<u>\$ 2,575</u>				<u>\$ 6,209</u>	

(continued)

HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP Budgetary Basis)
Non Major Special Revenue Funds
For the Year Ended December 31, 2004

	Evergreen Fund			Variance between Actual and Revised Budget
	Original Budget	Revised Budget	Actual	
Revenues				
Donations.....	\$ 300,000	\$ 85,000	\$ 82,152	\$ (2,848)
Miscellaneous.....	—	215,000	267,768	52,768
Total Revenue	<u>300,000</u>	<u>300,000</u>	<u>349,920</u>	<u>49,920</u>
Expenditures				
Miscellaneous.....	1,505,000	1,447,631	313,360	(1,134,271)
Total Budgetary Expenses	<u>1,505,000</u>	<u>1,447,631</u>	<u>313,360</u>	<u>(1,134,271)</u>
Excess (Deficiency) of Revenue over (under) Budgetary Expenditures	(1,205,000)	(1,147,631)	36,560	1,184,191
Other Financing Sources				
Transfers In	5,000	5,000	8,565	3,565
Net Change in Fund Balance	<u>\$ (1,200,000)</u>	<u>\$ (1,142,631)</u>	<u>45,125</u>	<u>\$ 1,187,756</u>
Budgetary Fund Balances, Beginning of Year			<u>892,915</u>	
Budgetary Fund Balances, End of Year			<u><u>\$ 938,040</u></u>	

CAPITAL PROJECT FUND

The Capital Project Fund is established to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by the Enterprise Fund).

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HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis)
Capital Project Fund
For the Year Ended December 31, 2004

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	Variance Between Actual and <u>Revised Budget</u>
Revenues				
Charges for Service	\$ -	\$ -	\$ -	\$ -
Expenditures				
Capital Outlay.....	5,849,900	8,505,220	8,431,241	73,979
Deficiency of revenues over expenditures	(5,849,900)	(8,505,220)	(8,431,241)	73,979
Other Financing Sources				
Transfers in.....	(5,849,900)	7,734,887	7,734,887	-
Deficiency of revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ (770,333)</u>	(696,354)	<u>\$ (73,979)</u>
Budgetary Fund Balance, Beginning of Year			(140,540)	
Prior Year Encumbrances			910,873	
Budgetary Fund Balance, End of Year			<u>\$ 73,979</u>	

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PROPRIETARY FUNDS

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ENTERPRISE FUND

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to a private enterprise. The Hamilton County Park District's enterprise fund is comprised of the following departments: Golf Management, Fishing and Boating, Riding Center, Food Service, Golf Merchandise, Athletics and Recreation Management.

HAMILTON COUNTY PARK DISTRICT
Enterprise Fund
Schedule of Revenues and Expenses by Department
For the Year Ended December 31, 2004

	<u>Golf Management</u>	<u>Fishing and Boating</u>	<u>Riding Center</u>	<u>Food Service</u>
Operating Revenues				
Charges for sales and services	\$ 5,893,434	\$ 1,029,574	\$ 268,937	\$ 2,375,125
Operating Expenses				
Cost of sales and services	3,829,723	1,009,066	241,797	2,373,623
Administration	610,500	150,100	19,448	320,117
Depreciation	702,533	131,012	17,302	202,050
Total Operating Expenses	5,142,756	1,290,178	278,547	2,895,790
Income (Loss) before operating Transfers	<u>\$ 750,678</u>	<u>\$ (260,604)</u>	<u>\$ (9,610)</u>	<u>\$ (520,665)</u>

<u>Golf Merchandise</u>	<u>Athletics</u>	<u>Total</u>
\$ 1,023,917	\$ 242,749	\$ 10,833,736
885,855	246,862	8,586,926
33,668	77,652	1,211,485
22,899	79,088	1,154,884
942,422	403,602	10,953,295
<u>\$ 81,495</u>	<u>\$ (160,853)</u>	<u>\$ (119,559)</u>

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Statistical Section

The statistical section provides selected financial, economic and demographic information which may be used to indicate trends for comparative fiscal periods.

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Statistical Section

This part of the Hamilton County Park Districts comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Park Districts overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	84
Debt Capacity	
The Park District has no outstanding long-term debt.	89
Revenue Capacity	
These schedules contain information to help the reader assess the Park District's most significant local revenue source, the property tax.	90
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Park District's financial activities take place.	96
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the Park District's financial report relates to the services the Park District provides and the activities it performs.	100
Other Information	
Insurance coverage Park Facilities	104

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

HAMILTON COUNTY PARK DISTRICT
Net Assets by Component
Last Three Years
(Accrual Basis of Accounting)

	2004	December 31 2003	2002
Government Activities			
Invested in Capital Assets with no related debt	\$ 74,435,225	\$ 67,515,880	\$ 61,292,853
Restricted for:			
Capital Projects.....	3,555,780	2,773,624	4,656,113
Special Revenue Funds.....	5,381,242	5,154,243	5,851,102
Unrestricted.....	(2,637,037)	1,063,219	(1,258,753)
Total government activities net assets	<u>80,735,210</u>	<u>76,506,966</u>	<u>70,541,315</u>
Business Type Activities			
Invested in Capital Assets with no related debt	13,655,198	13,793,040	14,751,479
Unrestricted	(2,059,319)	(2,077,602)	(2,347,632)
Total business type activities net assets	<u>11,595,879</u>	<u>11,715,438</u>	<u>12,403,847</u>
Total Government			
Invested in capital assets with no related debt	88,090,423	81,308,920	76,044,332
Restricted for:			
Capital projects.....	3,555,780	2,773,624	4,656,113
Special Revenue Funds.....	5,381,242	5,154,243	5,851,102
Unrestricted	(4,696,356)	(1,014,383)	(3,606,385)
Total Government net assets	<u>\$ 92,331,089</u>	<u>\$ 88,222,404</u>	<u>\$ 82,945,162</u>

HAMILTON COUNTY PARK DISTRICT
Changes in Net Assets
Last Three Years
(Accrual Basis of Accounting)

	Years Ended December 31		
	2004	2003	2002
Expenses			
Governmental Activities			
Parks and recreation	\$ 18,168,972	\$ 15,997,254	\$ 13,631,846
Business type activities			
Golf Courses	5,142,756	5,181,776	4,976,467
Fishing and boating	1,290,178	1,220,219	1,117,090
Riding Center	278,547	304,094	299,360
Food Service	2,895,790	2,731,702	2,892,102
Golf merchandise	942,422	961,573	1,067,611
Athletics	403,602	386,876	272,026
Recreation management	—	326,421	316,265
Total business type activities expense	10,953,295	11,112,661	10,940,921
Total government expenses	29,122,267	27,109,915	24,572,767
Program Revenue			
Government Activities			
Charges for service	1,865,878	1,803,834	1,528,470
Operating grants	349,920	197,251	338,490
Capital grants	1,031,840	612,902	1,353,325
Total government activities program revenue	3,247,638	2,613,987	3,220,285
Business Type Activities			
Charges for service			
Golf courses	5,893,434	5,822,127	5,893,897
Fishing and boating	1,029,574	934,487	927,118
Riding center	268,937	230,615	256,371
Food service	2,375,125	2,190,145	2,308,367
Golf merchandise	1,023,917	1,017,979	1,013,576
Athletics	242,749	228,899	216,325
Total business type activities program revenue	10,833,736	10,424,252	10,615,654
Total government revenue	\$ 14,081,374	\$ 13,038,239	\$ 13,835,939

Continued

HAMILTON COUNTY PARK DISTRICT
Changes in Net Assets
Last Three Years
(Accrual Basis of Accounting)

	Years Ended December 31		
	2004	2003	2002
Net (expense) Revenue			
Government activities	\$ (14,921,334)	\$ (13,383,267)	\$ (10,411,561)
Business Activities.....	(119,559)	(688,409)	(124,733)
Total government net expense	(15,040,893)	(14,071,676)	(10,536,294)
General Revenue and Other Changes in Net Assets			
Government Activities			
Taxes.....	18,322,723	18,149,004	12,791,479
Investment gain (loss).....	529,830	913,744	(332,516)
Miscellaneous	297,025	286,170	443,535
Total government activities.....	19,149,578	19,348,918	12,902,498
Total government.....	4,108,685	5,277,242	2,366,204
Change in Net Assets			
Government activities	4,228,244	5,965,651	2,490,937
Business type activities.....	(119,559)	(688,409)	(124,733)
Total government.....	\$ 4,108,685	\$ 5,277,242	\$ 2,366,204

HAMILTON COUNTY PARK DISTRICT
Fund Balances Government Funds
Last Three Years
(Modified Accrual Basis of Accounting)

	December 31		
	2004	2003	2002
General Fund			
Reserved	\$ 665,606	\$ 862,874	\$ 207,265
Unreserved.....	(1,940,590)	(866,110)	(882,671)
Total general fund.....	(1,274,984)	(3,236)	(675,406)
All Other Government Funds			
Reserved	931,312	858,212	799,586
Unreserved, reported in.....			
Capital project fund	2,997,494	2,773,624	4,177,997
Special revenue fund.....	5,286,008	6,020,353	5,529,632
Total all other government funds.....	\$ 9,214,814	\$ 9,652,189	\$ 10,507,215

HAMILTON COUNTY PARK DISTRICT
Changes in Fund Balances, Government Funds
Last Three Years
(Modified Accrual Basis of Accounting)

	Years Ended December 31		
	2004	2003	2002
Revenues			
Taxes	\$ 18,322,723	\$ 18,149,004	\$ 12,791,479
Motor vehicle permits	799,977	795,486	792,443
Charges for service	4,612,621	4,418,386	4,127,174
Fines and damage.....	13,963	13,517	12,018
Donations and grants.....	1,381,760	810,153	1,918,931
Investment income	529,830	913,744	(332,516)
Miscellaneous	297,025	286,170	443,535
Total revenue	<u>25,957,899</u>	<u>25,386,460</u>	<u>19,753,064</u>
Expenditures			
General government.....	1,865,654	1,749,042	1,501,348
Public safety.....	3,261,046	3,676,543	2,973,577
Operation and maintenance	7,689,040	6,827,961	8,083,264
Land management.....	283,848	285,006	239,858
Resource quality.....	142,863	160,931	156,165
Naturalist.....	1,342,090	1,316,173	819,400
Communication.....	751,405	506,695	502,256
Visitor service	1,360,280	1,483,482	1,566,185
Facilities	1,478,216	1,539,206	
Capital outlay	4,492,580	8,024,277	3,930,944
Total expenditures	<u>27,667,022</u>	<u>25,569,316</u>	<u>19,772,997</u>
Excess (deficiency) of revenue over expenditures	(1,709,123)	(182,856)	(19,933)
Other Financing Sources (Uses)			
Transferred in.....	7,126,296	7,181,157	4,525,281
Transferred out.....	(7,126,296)	(7,181,157)	(4,525,281)
Total other financing sources (uses)	—	—	—
Net change in fund balances	<u>\$ (1,709,123)</u>	<u>\$ (182,856)</u>	<u>\$ (19,933)</u>

HAMILTON COUNTY PARK DISTRICT
Computation of Legal Debt Margin
December 31, 2003
(Amounts in Thousands)

- Tax valuation of all property subject to ad valorem taxation in the Hamilton County Park District as shown by the tax duplicate for the year 2004, the latest tax duplicate at the date hereof. \$

- Aggregate permitted principal amount of bonds issued in anticipation of the collection of the voted tax levy of a Park district pursuant to Section 1545.21, O.R. C. (1 percent of tax valuation). \$

- Total remaining principal of all outstanding bonds issued. None

- Available principal amount of bonds issued. \$

COUNTY OF HAMILTON, OHIO
Property Tax Levies and Collections
Real, Utility and Tangible Personal Property Taxes
Last Ten Years

<u>Tax Year</u> <u>Collection Year</u>	<u>Current Levy</u>	<u>Delinquent Levy</u>	<u>Total Levy</u>
1994/1995	\$ 210,573,806	\$ 14,153,427	\$ 224,727,233
1995/1996	210,661,835	14,350,515	225,012,350
1996/1997	234,466,576	18,367,236	252,833,812
1997/1998	232,576,991	15,588,698	248,165,689
1998/1999	243,871,859	15,353,864	259,225,723
1999/2000	268,875,736	16,101,819	284,977,555
2000/2001	258,587,877	17,663,002	276,250,879
2001/2002	279,619,746	20,798,346	300,418,092
2002/2003	293,718,944	23,835,087	317,554,031
2003/2004	291,198,471	34,384,587	325,583,058

Source: Hamilton County Auditor's Office, Budget Commission

<u>Current Collection</u>	<u>Current Levy Collected</u>	<u>Delinquent Collection</u>	<u>Total Collection</u>	<u>Total Collections As a Percent of Current Levy</u>
\$ 205,057,328	97.38%	\$ 6,736,884	\$ 211,794,212	100.58%
204,316,902	96.99	6,648,968	210,965,870	100.14
227,575,547	97.06	10,357,890	237,933,437	101.48
226,682,488	97.47	8,297,212	234,979,700	101.03
236,690,049	97.06	8,282,287	244,972,336	100.45
260,266,951	96.80	8,599,370	268,866,321	100.00
250,641,616	96.93	9,753,318	260,394,934	100.70
270,041,922	96.57	10,965,600	281,007,522	100.50
280,905,493	96.54	10,634,727	291,540,220	99.26
275,459,489	94.60	13,815,785	289,275,274	99.34

COUNTY OF HAMILTON, OHIO
Assessed and Estimated Actual Value
of Taxable Property
Last Ten Years
(Amounts in Thousands)

<u>Tax Year Collection Year</u>	<u>Real Property</u>		<u>Personal Property</u>	
	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>
1994/1995	\$ 11,165,437	\$ 31,901,249	\$ 1,985,287	\$ 7,941,148
1995/1996	11,305,422	32,301,206	2,029,232	8,116,928
1996/1997	11,989,588	34,255,966	2,063,161	8,252,645
1997/1998	12,096,491	34,561,402	2,074,756	8,299,024
1998/1999	12,205,425	34,872,643	2,105,777	8,423,108
1999/2000	14,193,173	40,551,923	2,080,609	8,322,436
2000/2001	14,312,437	40,892,677	2,120,376	8,481,504
2001/2002	14,489,393	41,398,266	2,054,198	8,216,792
2002/2003	16,088,698	45,967,709	1,712,460	7,135,250
2003/2004	16,217,515	46,335,757	1,750,930	7,612,739

Source: Hamilton County Auditor's Office, Budget Commission

Public Utility		Total		Ratio of Assessed to Estimated Actual Value
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	
\$ 1,126,311	\$ 2,252,622	\$ 14,277,035	\$ 42,095,019	33.92%
1,065,606	2,131,212	14,400,260	42,549,346	33.84
1,071,857	2,143,714	15,124,606	44,652,325	33.87
1,022,980	2,045,960	15,194,227	44,906,386	33.85
1,040,198	2,080,396	15,351,400	45,376,147	33.83
1,040,460	2,080,934	17,314,242	50,955,293	33.98
977,417	1,954,834	17,410,230	51,329,015	33.92
718,507	1,437,014	17,262,098	51,052,072	33.81
743,825	1,487,650	18,544,983	54,590,609	33.97
755,400	1,510,800	18,723,845	55,459,296	33.76

COUNTY OF HAMILTON, OHIO
PROPERTY TAX RATES
ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS
(PER \$1,000 OF ASSESSED VALUATION)

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
HAMILTON COUNTY										
GENERAL OPERATING	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26
DEBT (Bond retirement)	0.19	0.19	0.18	0.18	0.18	0.18	0.17	0.16	0.15	0.15
DRAKE HOSPITAL	1.76	1.76	1.76	1.76	1.76	1.59	1.59	1.59	1.59	1.59
UNIVERSITY OF CINCINATI HOSPITAL	4.73	4.73	4.73	4.73	4.73	4.73	4.73	5.39	5.39	5.39
COUNTY PARK DISTRICT	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03
COUNTY POLICE INFORMATION CENTER	0.54	0.54	0.54	0.54	0.83	0.83	0.83	0.83	0.83	0.54
CARE AND TRAINING MENTALLY RETARDED	2.73	2.73	2.73	2.73	2.73	3.53	3.53	3.53	3.53	3.53
COMMUNITY MENTAL HEALTH	1.99	1.99	1.99	1.99	2.47	2.47	2.47	2.47	2.74	2.74
SUPPORT OF CHILDREN SERVICES	1.62	1.62	2.77	2.77	2.11	2.77	1.87	2.77	2.77	2.72
RECREATION/ ZOOLOGICAL PURPOSES	0.45	0.45	0.45	0.00	0.42	0.42	0.42	0.42	0.42	0.40
SENIOR SERVICES	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.02</u>	<u>1.02</u>	<u>1.02</u>	<u>1.02</u>	<u>1.02</u>	<u>1.16</u>	<u>1.16</u>
TOTAL	18.30	18.30	19.44	19.01	19.54	20.83	19.92	21.47	21.87	21.51
TOWNSHIPS										
ANDERSON	8.90	8.90	8.90	8.90	8.90	9.90	9.90	11.87	11.87	11.87
ANDERSON TOWNSHIP PARK DISTRICT	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28
COLERAIN	12.34	12.34	12.34	12.34	12.34	10.84	15.18	15.18	16.18	16.18
COLUMBIA	17.96	17.96	17.96	17.96	17.96	17.96	17.96	17.96	17.96	21.26
CROSBY	9.24	9.24	9.24	9.24	9.24	9.24	9.24	9.24	9.24	9.24
DELHI	19.46	19.46	19.46	19.46	19.46	19.46	19.46	19.46	19.46	20.48
DELHI TOWNSHIP PARK DISTRICT	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00
GREEN	8.81	8.81	8.81	8.81	8.81	8.81	8.81	8.31	8.31	8.31
HARRISON	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74
MIAMI	5.56	6.85	6.85	6.85	6.45	6.45	7.45	7.45	9.91	9.91
SPRINGFIELD	15.67	15.67	15.67	14.30	14.30	14.30	14.30	20.30	20.30	20.30
SYCAMORE	7.60	7.60	7.60	7.60	7.75	7.75	7.75	7.75	7.75	7.75
SYMMES	11.00	11.00	11.00	11.00	11.90	11.75	11.75	11.75	13.45	13.45
WHITEWATER	10.84	10.84	10.84	10.84	10.84	10.84	10.84	10.84	11.44	11.44
SCHOOLS										
CINCINNATI	48.58	53.52	53.19	53.13	53.13	51.94	56.93	57.15	56.25	60.75
DEER PARK	55.10	62.01	62.01	62.01	62.01	62.01	70.00	70.00	70.00	70.00
FINNEYTOWN	68.70	68.64	72.60	72.39	72.39	72.39	72.39	80.34	80.34	79.98
FOREST HILLS	49.51	49.23	51.37	51.37	51.37	51.16	50.97	50.97	55.87	55.87
INDIAN HILL	44.63	44.58	44.48	44.51	42.92	42.92	47.10	47.10	47.10	46.70
LOCKLAND	35.12	35.89	58.34	59.07	57.96	56.59	55.95	37.69	37.09	52.59
LOVELAND	56.13	55.44	60.14	59.58	64.21	63.79	70.14	70.14	70.14	69.99
MADEIRA	68.97	68.97	72.13	72.13	72.13	71.71	80.22	80.14	79.47	79.47
MARIEMONT	67.97	74.97	74.97	74.97	84.92	82.92	85.15	85.67	85.42	90.85
MILFORD	57.50	57.50	54.52	59.10	59.10	59.10	59.10	63.20	63.20	69.10
MT. HEALTHY	55.79	55.77	55.66	54.99	61.98	61.85	61.66	61.71	61.83	66.51
NORTH COLLEGE HILL	53.97	53.57	53.57	53.57	53.57	57.47	57.47	57.47	57.47	57.47
NORTHWEST	43.15	42.98	42.98	50.18	50.18	50.13	49.80	49.80	49.64	49.84
NORWOOD	46.63	49.92	49.51	48.90	48.82	48.57	62.80	52.95	49.90	50.96
OAK HILLS	40.20	40.20	40.20	46.97	46.97	46.97	46.97	46.97	46.74	46.88
PRINCETON	42.24	42.24	42.24	42.24	42.24	46.19	46.19	46.19	45.79	49.03
READING	51.28	51.28	51.28	57.18	57.18	57.18	57.18	57.18	57.18	57.18
ST. BERNARD	36.67	36.67	36.71	35.72	34.97	34.97	43.25	43.86	43.07	44.24
SOUTHWEST	45.13	45.13	44.77	44.74	48.22	48.22	47.88	47.75	47.44	47.25
SYCAMORE	54.14	54.14	54.14	54.14	61.53	60.84	80.84	60.84	80.49	60.40
THREE RIVERS	32.06	36.96	37.86	37.54	37.48	37.26	39.95	39.95	39.95	39.95
WINTON WOODS	62.12	62.12	62.12	62.13	70.08	70.08	70.08	70.08	70.08	70.08
WYOMING	64.98	64.98	64.98	64.98	73.18	71.03	70.39	70.29	70.08	78.93
GREAT OAKS JOINT VOCATIONAL	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70

COUNTY OF HAMILTON, OHIO
PROPERTY TAX RATES (continued)
ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS
(PER \$1,000 OF ASSESSED VALUATION)

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
CITIES & VILLAGES										
ADDYSTON	6.59	7.59	7.59	7.59	7.59	7.59	5.59	5.59	5.59	5.59
AMBERLEY	4.00	4.00	4.00	4.00	6.00	6.00	7.00	7.00	7.00	7.00
ARLINGTON HEIGHTS	10.81	10.77	10.02	10.82	10.82	10.82	10.82	10.82	9.52	9.52
BLUE ASH	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
CHEVIOT	13.38	13.02	13.00	12.84	12.82	12.66	12.62	12.56	12.42	12.42
CINCINNATI	11.46	11.46	11.46	11.46	11.46	10.90	10.76	10.76	10.63	10.36
CLEVES	19.36	19.36	23.71	23.71	20.71	20.71	17.41	13.66	13.66	13.66
DEER PARK	6.68	6.58	7.20	7.20	4.50	3.55	3.55	3.55	3.55	3.55
ELMWOOD PLACE	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78
EVENDALE	3.34	3.34	3.34	3.34	3.34	0.00	0.00	0.00	0.00	0.00
FAIRFAX	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76
FAIRFIELD	4.54	4.54	4.54	4.54	4.64	4.64	5.94	5.94	5.94	5.94
FOREST PARK	8.01	8.01	8.01	8.01	8.01	8.01	8.01	12.76	12.76	12.76
GLENDALE	25.38	23.68	23.26	22.34	19.66	21.93	21.66	21.55	22.61	22.23
GOLF MANOR	19.60	19.60	19.60	19.42	19.42	19.42	25.32	24.52	24.52	24.52
GREENHILLS	18.04	21.54	21.91	26.22	26.47	25.99	25.99	25.93	27.98	27.33
HARRISON	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
INDIAN HILL	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96
LINCOLN HEIGHTS	10.08	20.08	20.08	20.08	20.08	20.08	20.06	24.58	26.33	26.33
LOCKLAND	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02
LOVELAND	10.00	10.00	10.00	10.00	10.00	10.00	10.00	12.00	12.00	12.00
MADEIRA	7.50	7.50	9.92	7.50	7.50	7.50	7.50	7.50	7.50	7.50
MARIEMONT	8.94	8.94	8.94	12.44	12.44	12.44	12.44	12.44	12.44	14.37
MILFORD	13.10	13.10	12.60	12.60	12.60	12.60	12.00	12.00	12.00	12.00
MONTGOMERY	9.15	9.15	9.15	9.15	9.15	10.75	10.75	10.05	10.05	10.05
MT. HEALTHY	7.11	7.11	7.11	7.11	7.11	6.61	8.11	8.11	8.11	8.11
NEWTOWN	8.87	8.87	8.87	8.87	8.87	6.87	6.67	6.87	10.37	10.37
NORTH BEND	16.59	17.88	17.88	17.88	14.88	10.38	10.09	10.09	10.09	10.09
NORTH COLLEGE HILL	6.18	6.18	7.98	7.98	7.98	7.98	7.98	7.98	7.98	7.98
NORWOOD	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40
READING	1.76	1.76	1.76	1.76	1.76	1.76	3.52	3.52	3.52	3.52
ST. BERNARD	2.28	2.28	2.28	2.28	2.28	2.28	2.20	2.28	2.28	2.28
SHARONVILLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SILVERTON	11.15	11.15	11.15	11.15	8.15	8.15	8.15	8.15	8.15	8.15
SPRINGDALE	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
TERRACE PARK	14.86	14.86	14.86	14.86	14.86	14.86	14.86	14.86	14.86	14.86
WOODLAWN	4.08	4.08	4.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
WYOMING	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
SPECIAL DISTRICTS:										
Deer Park/Silverton Joint Ambulance	0.00	0.00	0.00	0.00	6.50	6.50	6.50	6.50	6.50	6.50
Eastern Joint Ambulance District	2.20	2.20	2.20	2.20	2.20	2.20	2.20	3.00	3.00	0.00
Western Joint Ambulance District	0.00	1.25	1.25	1.25	1.25	1.25	1.25	1.25	2.50	2.50
Fairfax/Madison Pl. Joint Fire and Rescue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50	1.25	1.25

Source: Hamilton County Auditor's Office-Budget Commission-Tax Year Data

**COUNTY OF HAMILTON, OHIO
DEMOGRAPHIC STATISTICS**

POPULATION

1940	621,897
1950	723,953
1960	864,121
1970	925,944
1980	866,714
1990	866,228
2000	845,303

AGE DISTRIBUTION OF POPULATION – 2000

	<u>Number</u>	<u>Percentage</u>
Under 5 years	56,548	6.69%
5-9 years	60,719	7.18
10-14 years	63,822	7.56
15-19 years	60,987	7.21
20-24 years	56,941	6.74
25-34 years	117,694	13.92
35-44 years	132,973	15.73
45-54 years	112,172	13.27
55-59 years	37,992	4.49
60-64 years	31,557	3.73
65-74 years	58,302	6.90
75-84 years	40,462	4.79
85 years and over	<u>15,134</u>	<u>1.79</u>
Total	<u>845,303</u>	<u>100.00%</u>
Median age: 35.5		

Source: United States Bureau of the Census
Greater Cincinnati Chamber of Commerce for the Hamilton County Area

**COUNTY OF HAMILTON, OHIO
DEMOGRAPHIC STATISTICS (continued)**

DISTRIBUTION OF FAMILIES BY INCOME BRACKET (Average 2.45 Persons)

	2000	
	Number	Percentage
0-\$9,999	47,530	13.97%
\$10,000-\$19,999	47,850	14.06
\$20,000-\$29,999	44,720	13.14
\$30,000-\$39,999	52,480	15.42
\$40,000-\$49,999	46,410	13.64
\$50,000-\$59,999	31,440	9.24
\$60,000-\$74,999	29,030	8.53
\$75,000-\$99,999	20,920	6.15
\$100,000-\$124,999	7,960	2.34
\$125,000-\$149,999	3,620	1.06
Over \$150,000	8,310	2.45
Total	340,270	100.00%
Per Capita Income	\$ 32,753	

Source: U.S. Department of Commerce

**COUNTY OF HAMILTON, OHIO
DEMOGRAPHIC STATISTICS (continued)
LAST TEN YEARS**

EMPLOYMENT – ANNUAL AVERAGE

	<u>Total Labor Force</u>	<u>Total Employed</u>	<u>Total Unemployed</u>	<u>Unemployment Rate</u>
1994	435,800	415,000	20,800	4.8
1995	436,900	419,300	17,600	4.0
1996	449,000	432,800	16,200	3.6
1997	450,300	435,700	14,600	3.2
1998	459,100	445,900	13,200	2.9
1999	458,600	444,700	13,900	3.0
2000	449,000	436,100	12,900	2.9
2001	447,600	430,800	16,800	3.8
2002	442,600	424,700	17,500	4.0
2003	437,700	417,000	20,700	4.7
2004	431,700	409,300	29,300	5.2

***Average Quarterly Employment as Covered Under the
Ohio and Federal Unemployment Compensation Laws***

	2001	2002	2003	2004
Private Sector				
Accommodation and Food Services	\$ 40,216	\$ 39,653	\$ 39,375	\$ 40,916
Administrative and Waste Services	38,124	39,875	40,108	44,114
Arts, Entertainment, and Recreation	6,708	6,907	7,289	7,837
Construction	25,596	24,266	25,527	24,935
Educational Services	9,636	9,729	10,179	10,718
Finance and Insurance	25,946	26,231	25,424	24,234
Health Care and Social Assistance	69,989	71,236	73,477	74,114
Information	12,992	11,730	11,346	11,144
Management of Companies and Enterprises	26,074	26,601	25,358	25,240
Manufacturing	70,040	66,112	65,285	63,670
Professional and Technical Services	35,758	37,721	36,753	35,080
Real Estate and Rental and Leasing	9,428	9,917	9,127	8,307
Retail Trade	59,722	59,343	58,178	57,423
Transportation and Warehousing	14,476	13,396	13,000	13,508
Utilities	2,843	2,777	2,867	1,468
Wholesale Trade	30,631	29,189	27,918	27,748
Other Services, Except Public Administrators	20,602	20,146	19,043	18,721
Government Sector				
State Government & Local Government	47,892	48,057	48,327	47,879
Federal Government	<u>10,656</u>	<u>10,264</u>	<u>10,038</u>	<u>9,997</u>
Grand Total	<u>\$ 557,329</u>	<u>\$ 553,150</u>	<u>\$ 548,619</u>	<u>\$ 547,053</u>

COUNTY OF HAMILTON, OHIO
 PRINCIPAL TAXPAYERS
 December 31, 2004
 (Amounts in Thousands)

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Cinergy Corporation	Public Utility	\$ 522,640	2.79%
Procter & Gamble Co.	Consumer Goods Manufacturing	166,100	0.89%
Cincinnati Bell Telephone	Public Utility	150,378	0.80%
Ford Motor Company	Automotive Manufacturing	85,377	0.46%
Duke Realty Ohio	Real Estate Management	76,721	0.41%
City of Cincinnati	City Government	64,405	0.34%
Concordia Properties	Real Estate Management	57,029	0.30%
General Electric	Jet Engine Manufacturing	51,070	0.27%
Cognis Corporation	Chemical Manufacturing	45,263	0.24%
Emery Realty	Real Estate Management	<u>31,255</u>	<u>0.17%</u>
		<u>\$ 1,250,238</u>	<u>6.67%</u>

HAMILTON COUNTY PARK DISTRICT

Operating Indicators by Department For Years Indicated

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Administration					
Full time employees	166	166	170	176	182
Part time employees	75	89	83	88	92
Seasonal employees	1,087	1,485	1,161	1,097	1,063
Employee injuries	31	65	50	70	56
Days missed work time	118	107	100	300	60
Active unemployment claims	15	44	61	27	10
Payroll checks processed	19,921	21,383	22,061	21,414	21,500
Peak season payroll checks	1,016	1,111	1,126	1,102	1,092
Purchase orders issued	5,163	5,213	5,116	4,864	4,570
Vendor invoices processed	27,522	28,530	26,711	33,083	33,870
Vendor checks issued	9,980	9,136	8,638	8,810	9,025

HAMILTON COUNTY PARK DISTRICT

Operating Indicators by Department For Years Indicated

	2000	2001	2002	2003	2004
Safety Department					
Response					
Burglar Alarm	572	606	565	512	540
Fire Alarm	22	41	34	24	12
Animal complaints	245	275	265	224	202
Offenses					
Theft	87	53	58	70	53
Drug	21	16	21	26	22
Property Damage	58	26	32	37	37
Crimes against persons	26	17	18	11	14
Other	123	117	116	131	78
Motor vehicle permits					
Annual	220,509	243,106	227,158	228,699	222,028
Other	96,993	100,117	111,291	111,456	113,449
Naturalist					
Programs presented	2,083	2,326	2,318	2,688	2,746
Program attendance	85,427	82,230	83,967	84,820	86,733
Visitor Center attendance	195,546	211,993	207,298	175,165	181,323
Communication					
Press releases		128	179	150	180
Website viewing occasion				434,025	601,972

HAMILTON COUNTY PARK DISTRICT

Operating Indicators by Department For Years Indicated

	1995	1996	1997	1998	1999
In Reach					
Programs	N/A	N/A	N/A	N/A	205
Participants	N/A	N/A	N/A	N/A	8,964
Golf Management					
Rounds of golf	324,575	309,267	357,989	360,254	341,601
Fishing and Boating					
Pounds of fish stocked	53,000	50,000	56,400	41,000	41,500
Boat rentals	45,238	35,042	38,492	54,548	47,796
Riding Center					
Riding lessons	8,934	10,191	9,642	10,009	9,566
Land Acquisition					
Acres acquired	N/A	N/A	265	104	191
Others					
Reservations picnic areas	2,201	2,101	1,957	2,044	2,507
Volunteer hours	45,537	50,873	50,960	60,489	56,095
Special events	30	15	20	22	28

N/A Not Available

2000	2001	2002	2003	2004	
					In Reach
231	184	212	230	262	Programs
10,093	8,440	10,352	9,504	9,808	Participants
					Golf Management
369,695	375,337	314,032	298,859	293,193	Rounds of golf
					Fishing and Boating
39,000	36,000	36,000	24,000	26,250	Pounds of fish stocked
44,856	45,811	36,291	32,418	31,582	Boat rentals
					Riding Center
9,878	10,509	10,095	8,256	8,892	Riding lessons
					Land Acquisition
27	413	307	361	197	Acres acquired
					Others
2,799	2,793	2,493	2,538	2,434	Reservations picnic areas
56,226	65,246	60,409	70,132	72,737	Volunteer hours
34	29	38	31	31	Special events

HAMILTON COUNTY PARK DISTRICT
Schedule of Insurance Coverage
December 31, 2004

Coverage	Carrier	Policy Number
General Liability (Including umbrella)	Ohio Plan Aspen	OH 1694179-A11
Automobile Liability	Ohio Plan Aspen	OH 1694179-A11
Automobile Physical Damage	Ohio Plan Aspen	OH 1694179-A11
Employee Dishonesty	Ohio Plan Aspen	OH 1694179-A11
Building and Contents	Ohio Plan Aspen	OH 1694179-A11
Inland Marine	Ohio Plan Aspen	OH 1694179-A11
Law Enforcement Liability	Ohio Plan Aspen	OH 1694179-A11
Crime	Ohio Plan Aspen	OH 1694179-A11
Public Officials Liability	Ohio Plan Aspen	OH 1694179-A11
EDP	Ohio Plan Aspen	OH 1694179-A11
Boiler	CHUBB	OH 1694179-A11

<u>Expiration Date</u>	<u>Limits Aggregate</u>	<u>Deductible</u>	<u>Annual Premium</u>
8-31-2005	\$ 12,000,000	\$ -	\$ 121,811
8-31-2005	10,000,000	-	61,321
8-31-2005	2,298,693	1,000/2,000	17,134
8-31-2005	25,000	1,000	201
8-31-2005	38,348,628	10,000	20,421
8-31-2005	3,775,833	5,000	17,227
8-31-2005	12,000,000	10,000	17,016
8-31-2005	25,000	1,000	1,084
8-31-2005	12,000,000	10,000	13,393
8-31-2005	230,000	1,000	2,144
8-31-2005	38,348,628	10,000	<u>2,248</u>
Annual Premium Total			<u>\$ 274,000</u>

HAMILTON COUNTY PARK DISTRICT PARK FACILITIES AND RECREATIONAL ACTIVITIES

Recreational Activities	Fernbank	Embshoff	Farbach-Werner	Glenwood Gardens	Lake Isabella	Little Miami	Miami Whitewater	Mitchell Memorial	Sharon Woods	Shawnee Lookout	Triple Creek	Winton Woods	Withrow	Woodland Mound
Amphitheater-Outdoor	X		X				X					X		X
Athletic fields		X					X		X		X	X		X
Bike Trails/Bike Rentals							X		X			X		
Boating – Canoes												X		
Boating – Hydrobikes							X							
Boating - Lake Cruises									X			X		
Boating - Pedal Boats							X		X			X		
Boating - Row Boats					X		X		X			X		
Campgrounds							X					X		X
Cross Country Skiing		X	X		X	X	X	X	X	X	X	X	X	X
Fishing	X				X	X	X	X	X	X	X	X		
Food-Snack Bars						X	X		X	X	X	X		X
Frisbee Golf Courses		X					X					X		X
Gift/Bookstores			X				X		X			X		X
Golf – Courses						X	X		X	X		X		X
Golf - Driving Ranges						X	X					X		
Golf – Miniature Golf						X								
Hiking Trails		X	X	X			X	X	X	X		X	X	X
Historic Restoration									X	X				
Horseback Riding Trails							X					X		
Ice Skating		X					X	X			X	X		X
Lawn Bowling						X								
Naturalist Offices			X				X		X			X		X
Parcours Fitness Trails		X					X		X		X	X		X
Picnic Areas	X	X			X	X	X	X	X	X		X		X
Playgrounds/Special Features	X	X					X		X			X		X
Reservable Lodges					X				X			X	X	X
Reservable Shelters	X	X					X		X	X		X		X
Scenic Overlooks	X				X		X	X				X		X
Sledding							X		X			X		
Visitor Center							X		X			X		X
Wet Playground							X		X			X		X



Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Park Commissioners
Hamilton County Park District
Cincinnati, Ohio

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Hamilton County Park District as of and for the year ended December 31, 2004, which collectively comprise its basic financial statements and have issued our report thereon dated May 11, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Organization's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and responses as items 04-1 and 04-2.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express 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*.

We also noted certain additional matters that we reported to the Organization's management in a separate letter dated May 11, 2005

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

BKD, LLP

May 11, 2005

**Hamilton County Park District
Schedule of Findings and Responses
Year Ended December 31, 2004**

Reference Number	Finding
04-1	<p>Criteria or Specific Requirement—Management is responsible for establishing and maintained effective internal control over financial reporting</p> <p>Condition—One individual has incompatible duties in accounting software access and maintenance.</p> <p>Context—The internally developed accounting software package which is not supported by anyone other than the controller who wrote the package. Additionally, there is incompatibility between the controller’s role in the cash receipts and cash disbursements functions and his unlimited access to the system. Finally, certain internal controls that should be in place for in-house designed software are not in place at the Park District. There is virtually no supervision in programming changes or data access changes. There are no formalized procedures regarding programming or reporting changes and live data is used in these changes.</p> <p>Effect—Potentially material misstatements in the financial statements or material misappropriations of assets due to error or fraud could occur and not be prevented or detected in a timely manner.</p> <p>Cause—The internally developed accounting software package was developed by the controller</p> <p>Recommendation—Management should consider the implementation of a new general ledger package with the appropriate controls and features.</p> <p>Views of Responsible Officials and Planned Corrective Actions—Management concurs with the finding and recommendation. Management has selected a new general ledger package and plans to implement the package and related controls in 2005.</p>
04-2	<p>Criteria or Specific Requirement—Management is responsible for establishing and maintained effective internal control over financial reporting</p> <p>Condition—There is a lack of centralized responsibility with appropriate review in the area of fixed asset accounting</p>

Context— There is a lack of control over fixed asset accounting due to multiple people having responsibility for capturing different types of assets. This problem is further magnified by the cash-basis bookkeeping of certain fixed asset projects for enterprise fund activities in various departments of the capital projects fund and the general fund.

Effect—In 2004, there were several significant errors in the financial records related to fixed assets resulting in audit adjustments. In some circumstances, the same assets were recorded in both the governmental activities and business activities in the financial statement compilation. In other circumstances, assets that should have been capitalized were not capitalized.

Cause—Three different individuals perform accounting functions for different aspects of fixed assets, with minimal oversight and review.

Recommendation—We recommend that one individual be given responsibility for all fixed assets capitalization and reconciliation, with the Chief Financial Officer supervising, reviewing and approving the work performed. Further, we recommend that capital assets for the enterprise fund be recorded within departments for that fund and appropriately capitalized. Finally, we recommend that procedures be developed to ensure that accounts and reports are reviewed in detail to ensure fixed assets are appropriately captured and capitalized.

Views of Responsible Officials and Planned Corrective Actions—
Management concurs with the finding and recommendation.
Management will evaluate whom should be the appropriate person to take responsibility for all fixed asset accounting and for the review.



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

HAMILTON PARK DISTRICT

HAMILTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 9, 2005**