

**CLERMONT COUNTY PARK DISTRICT  
CLERMONT COUNTY  
Regular Audit  
For the Year Ended December 31, 2010**

***Perry & Associates***  
**Certified Public Accountants, A.C**





# Dave Yost • Auditor of State

Board of Park Commissioners  
Clermont County Park District  
2228 Hwy 50  
Batavia, Ohio 45103

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

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

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

Dave Yost  
Auditor of State

September 12, 2011

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CLERMONT COUNTY PARK DISTRICT  
CLERMONT COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Management's Discussion and Analysis.....	3
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets .....	9
Statement of Activities .....	10
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	12
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities .....	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	15
Statement of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual (Non-GAAP Budgetary Basis) – General Fund .....	16
Notes to the Financial Statements .....	17
Independent Accountants' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	29

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***Perry & Associates***  
**Certified Public Accountants, A.C.**

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**INDEPENDENT ACCOUNTANTS' REPORT**

June 28, 2011

Clermont County Park District  
Clermont County  
2228 Highway 50  
Batavia, Ohio 45103

To the Board of Commissioners:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **Clermont County Park District**, Clermont County, Ohio (the District), as of and for the year ended December 31, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the 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 applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 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, each major fund, and the aggregate remaining fund information of the Clermont County Park District, Clermont County, Ohio, as of December 31, 2010, and the respective changes in financial position thereof and the budgetary comparison for the General Fund 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 June 28, 2011, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's Discussion and Analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

Respectfully Submitted,

A handwritten signature in black ink that reads "Perry & Associates CPAs A.C." in a cursive script.

**Perry and Associates**  
Certified Public Accountants, A.C.



**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2010  
Unaudited

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The discussion and analysis of the Clermont County Park District's (the District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2010. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for the year 2010 are as follows:

- The assets of the District exceeded its liabilities at the close of the year ended December 31, 2010, by \$7,982,419 (net assets). Of this amount, \$278,382 (unrestricted net assets) may be used to meet the District's ongoing park programs.
- The District's total net assets increased by \$930,207, which represents a 13.19% increase from 2009.
- At the end of the current year, the District's governmental funds reported a combined ending fund balance of \$355,039.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$220,495 or 35.9% of total general fund expenditures and other financing uses.

**Using the Basic 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 the District as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities and conditions.

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the District's most significant funds with all other non-major funds presented in total in one column.

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2010  
Unaudited

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**Reporting the District as a Whole**

Statement of Net Assets and the Statement of Activities

While this document contains information about the funds used by the District to provide services to our citizens, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2010?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the District's net assets and the change in those assets. This change in net assets is important because it tells the reader whether, for the District as a whole, the financial position of the District has improved or diminished. However, in evaluating the overall position of the District, nonfinancial information such as the condition of the District's capital assets, the reliance on non-local financial resources for the operations and the need for continued growth will also need to be evaluated.

**Reporting the District's Most Significant Funds**

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are governmental funds. Fund financial reports provide detailed information about the District's major funds.

Based on restrictions on the use of monies, the District has established separate funds which account for the capital projects the District is improving. However, these fund financial statements focus on the District's most significant funds. In the case of the District, our major funds are the General, Capital Projects, the Williamsburg/Batavia Trail Capital, and the Lower East Fork Riparian Capital. The analysis of the District's major funds begins on page 6.

*Governmental Funds:* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2010  
Unaudited

The District maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation.

*Notes to the Financial Statements:* The notes provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements. The notes to the financial statements begin on page 17 of this report.

**Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$7,982,419 as of December 31, 2010.

Table 1 provides a summary of the District's net assets for 2010 compared to 2009.

Table 1  
**Net Assets**  
(In Thousands)

	Governmental Activities	
	2010	2009
<b>Assets</b>		
Current & Other Assets	\$937.5	\$922.5
Capital Assets, Net	7,978.1	7,090.7
<i>Total Assets</i>	8,915.6	8,013.2
<b>Liabilities</b>		
Current & Other Liabilities	514.2	524.7
Long-Term Liabilities		
Due Within One Year	35.2	33.1
Due in More Than One Year	383.8	403.2
<i>Total Liabilities</i>	933.2	961.0
<b>Net Assets</b>		
Invested in Capital Assets Net of Debt	7,589.5	6,681.6
Restricted for Grants	114.5	129.5
Unrestricted	278.4	241.1
<i>Total Net Assets</i>	\$7,982.4	\$7,052.2

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2010  
Unaudited

Table 2 provides a summary of the changes in net assets for 2010 compared to 2009.

Table 2  
**Changes in Net Assets**  
(In Thousands)

	Governmental Activities	
	2010	2009
Program Revenues:		
Charges for Services	\$91.2	\$88.4
Operating Grants and Contributions	0.0	4.5
Capital Grants and Contributions	948.0	1,212.0
General Revenues:		
Property Taxes	403.3	409.3
Unrestricted Grants	96.4	96.6
Investment Earnings	2.6	4.2
Other	62.4	40.7
<i>Total Revenues</i>	<u>1,603.9</u>	<u>1,855.7</u>
Program Expenses		
Conservation and Recreation	657.7	658.2
Interest and Fiscal Charges	16.0	17.1
<i>Total Expenses</i>	<u>673.7</u>	<u>675.3</u>
<i>Increase in Net Assets</i>	930.2	1,180.4
Beginning Net Assets	7,052.2	5,871.8
Ending Net Assets	<u>\$ 7,982.4</u>	<u>\$ 7,052.2</u>

*Governmental Activities*

The District's governmental activities are related to conservation and recreation for its seven parks. This includes the maintenance and upkeep of the parks, offering many nature programs throughout the year to families, offering a variety of facilities to be reserved for picnics, weddings, meetings, reunions, holiday gatherings and other group functions, and improving its parks to meet the needs of the residents of Clermont County.

The District's current assets increased slightly (\$15,000) as the advances received for the current year was slightly higher than 2009. Capital assets increased by 12.51% due to land purchased in 2010 near State Route 50 and Round Bottom Road along with the continuation of construction projects. The District's liabilities decreased by 2.9% as the District continued to pay down its debt obligations and had fewer wage obligations at year end.

The District's capital grants and contributions decreased by \$264,000 due to grants received in 2009 for the Water Resource Restoration were down in 2010.

**Financial Analysis of the District's Funds**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2010  
Unaudited

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Governmental Funds: The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$355,039. Of this amount, \$343,050 constitutes unreserved fund balance. \$11,989 of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders at year end.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unreserved fund balance of the general fund was \$220,495, while the total fund balance was \$228,487. As a measure of the general fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 38.22% of the total general fund expenditures.

Revenues exceeded expenditures in the General Fund by \$67,764. Property taxes account for 61.6% of revenues in the General Fund.

The Capital Projects Fund accounts for major improvements to parking lots and other general roadways of the District. The fund ended the year with a fund deficit resulting from the primary government advance being reported as a liability.

The Williamsburg/Batavia Trail Capital Project fund increased by \$5,000 from miscellaneous donations.

The Lower East Fork Riparian fund is reported as a major fund based on grant revenue and current year construction work going on for the project.

### **General Fund Budgeting Highlights**

The District's budget 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.

During the course of 2010, the District amended its general fund budget, the most significant noted below. All recommendations for the budget were reviewed by the Clermont County Park Board for adoption of a resolution on the change. With the General Fund supporting many of our major activities, the General Fund is monitored closely looking for possible revenue shortfalls or over spending. A summary of noted differences and explanations:

- The materials and supplies budget increased by \$18,149 due to rising fuel costs.
- The capital outlay budget increased by \$27,800 as the District purchased a lawn mower and a new heating and air conditioning unit for Pattison Lodge.

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2010  
Unaudited

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**Capital Assets and Debt Administration**

*Capital Assets:* The District's investment in capital assets for its governmental activities as of December 31, 2010, amounts to \$7,978,117 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, construction in progress, vehicles, furniture, and equipment.

Note 6 (Capital Assets) provides capital asset activity during 2010.

Capital assets increased during 2010 because of land purchased along State Route 50 and Round Bottom Road for future development and for construction in progress on the Tealtown Road Park Project.

*Long-term Debt:* At the end of 2010, the District had a special obligation bond outstanding in the amount of \$388,600 which is backed by the full faith and credit of the District. The debt was issued in 2004 for the Chilo Lock and Dam Project. Additional information on the District's long-term debt can be found in Note 7 of this report.

**Economic Factors and Next Year's Budget**

Clermont County has experienced residential growth and an increase in property valuation over the past decade, and as a result property tax collections are 61.6% of the District's operating budget. The District maintains a conservative approach to spending while maximizing its revenues. The current economy has seen a downturn; however, the District's revenues should remain constant. The District will have to review alternative methods of intergovernmental funding, since the State of Ohio's fiscal condition continues to remain uncertain and the District's portion of state-based program revenue will be affected by the fiscal year 2011-2012 State budget bill.

All of these factors were considered in the preparation of the District's 2010 budget. In conjunction with current economic factors, the District has remained its 2011 budget at the same levels as its 2010 and still provide quality service for its seven parks.

**Requests for Information**

This financial report is designed to provide our citizens, creditors, and investors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Chris Clingman, Clermont County Park District, 2228 Hwy. 50, Batavia, Ohio 45103, (513)732-2977, (email at [parkdistrict@co.clermont.oh.us](mailto:parkdistrict@co.clermont.oh.us)).

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
*Statement of Net Assets*  
*December 31, 2010*

	<b>Governmental Activities</b>
<b>ASSETS:</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 443,215
Accrued Interest Receivable	689
Intergovernmental Receivable	63,932
Taxes Receivable	429,678
Capital Assets:	
Land	3,709,362
Building and Improvements	2,767,532
Furniture, Fixtures, and Equipment	241,134
Construction in Progress	1,798,296
Accumulated Depreciation:	
Building and Improvements	(415,003)
Furniture, Fixtures, and Equipment	(123,204)
<i>Total Assets</i>	<b>8,915,631</b>
<b>LIABILITIES:</b>	
Accounts Payable	5,087
Accrued Wages and Benefits	5,085
Intergovernmental Payable	786
Accrued Interest Payable	1,295
Due to County	105,000
Unearned Revenue	396,940
Long-Term Liabilities:	
Due Within One Year	35,199
Due in More than One Year	383,820
<i>Total Liabilities</i>	<b>933,212</b>
<b>NET ASSETS:</b>	
Invested in Capital Assets, Net of Related Debt	7,589,517
Restricted for Capital Outlay	114,520
Unrestricted	278,382
<i>Total Net Assets</i>	<b>\$ 7,982,419</b>

See accompanying notes to the basic financial statements.

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
*Statement of Activities*  
For the Year Ended December 31, 2010

	<u>Program Revenues</u>			<b>Net (Expense) Revenue and Changes in Net Assets</b>
	<u>Expenses</u>	<u>Charges for Services and Sales</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:				
Conservation and Recreation	\$ (657,738)	\$ 91,242	\$ 948,026	\$ 381,530
Interest and Fiscal Charges	(15,954)	0	0	(15,954)
<i>Total Governmental Activities</i>	<u>\$ (673,692)</u>	<u>\$ 91,242</u>	<u>\$ 948,026</u>	<u>365,576</u>
General Revenues:				
Property Taxes				403,336
Grants and Entitlements not Restricted to Specific Programs				96,339
Investment Earnings				2,574
Miscellaneous				62,382
<i>Total General Revenues</i>				<u>564,631</u>
<i>Change in Net Assets</i>				930,207
<i>Net Assets Beginning of Year</i>				<u>7,052,212</u>
<i>Net Assets End of Year</i>				<u>\$ 7,982,419</u>

See accompanying notes to the basic financial statements.



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**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2010*

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Williamsburg/ Batavia Trail</u>	<u>Lower East Fork Riparian</u>
<b>ASSETS:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 238,375	\$ 59,825	\$ 142,538	\$ 0
Accrued Interest Receivable	689	0	0	0
Intergovernmental Receivable	24,951	38,981	0	0
Taxes Receivable	429,678	0	0	0
<i>Total Assets</i>	<u>\$ 693,693</u>	<u>\$ 98,806</u>	<u>\$ 142,538</u>	<u>\$ 0</u>
<b>LIABILITIES:</b>				
Accounts Payable	\$ 5,087	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits	5,085	0	0	0
Intergovernmental Payable	786	0	0	0
Due to County	0	105,000	0	0
Deferred Revenue	454,248	12,269	0	0
<i>Total Liabilities</i>	<u>465,206</u>	<u>117,269</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCES:</b>				
Reserved:				
Reserved for Encumbrances	7,992	3,997	0	0
Unreserved, Reported in:				
General Fund	220,495	0	0	0
Capital Projects Funds (Deficit)	0	(22,460)	142,538	0
<i>Total Fund Balances</i>	<u>228,487</u>	<u>(18,463)</u>	<u>142,538</u>	<u>0</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 693,693</u>	<u>\$ 98,806</u>	<u>\$ 142,538</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements.

**CLERMONT COUNTY PARK DISTRICT  
CLERMONT COUNTY**  
*Reconciliation of Total Governmental Fund Balances to  
Net Assets of Governmental Activities  
December 31, 2010*

<b>All Other Governmental Funds</b>	<b>Total Governmental Funds</b>																						
		<b>Total Governmental Fund Balances</b>	<b>\$ 355,039</b>																				
<table border="0" style="width: 100%;"> <tr><td style="width: 100px;">\$ 2,477</td><td style="width: 100px;">\$ 443,215</td></tr> <tr><td style="text-align: right;">0</td><td style="text-align: right;">689</td></tr> <tr><td style="text-align: right;">0</td><td style="text-align: right;">63,932</td></tr> <tr><td style="text-align: right; border-top: 1px solid black;">0</td><td style="text-align: right; border-top: 1px solid black;">429,678</td></tr> <tr><td style="text-align: right; border-top: 1px solid black;">\$ 2,477</td><td style="text-align: right; border-top: 1px solid black;">\$ 937,514</td></tr> </table>	\$ 2,477	\$ 443,215	0	689	0	63,932	0	429,678	\$ 2,477	\$ 937,514		<b>Amounts reported for governmental activities in the statement of net assets are different because</b>											
\$ 2,477	\$ 443,215																						
0	689																						
0	63,932																						
0	429,678																						
\$ 2,477	\$ 937,514																						
		Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. <span style="float: right;">7,978,117</span>																					
		Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.																					
<table border="0" style="width: 100%;"> <tr><td style="width: 100px;">\$ 0</td><td style="width: 100px;">\$ 5,087</td></tr> <tr><td style="text-align: right;">0</td><td style="text-align: right;">5,085</td></tr> <tr><td style="text-align: right;">0</td><td style="text-align: right;">786</td></tr> <tr><td style="text-align: right;">0</td><td style="text-align: right;">105,000</td></tr> <tr><td style="text-align: right; border-top: 1px solid black;">0</td><td style="text-align: right; border-top: 1px solid black;">466,517</td></tr> <tr><td style="text-align: right; border-top: 1px solid black;">0</td><td style="text-align: right; border-top: 1px solid black;">582,475</td></tr> </table>	\$ 0	\$ 5,087	0	5,085	0	786	0	105,000	0	466,517	0	582,475		<table border="0" style="width: 100%;"> <tr><td style="width: 100px;">Taxes</td><td style="width: 100px; text-align: right;">31,973</td></tr> <tr><td>Intergovernmental Revenues</td><td style="text-align: right;">37,220</td></tr> <tr><td>Interest</td><td style="text-align: right; border-bottom: 1px solid black;">384</td></tr> <tr><td>Total</td><td style="text-align: right;">69,577</td></tr> </table>	Taxes	31,973	Intergovernmental Revenues	37,220	Interest	384	Total	69,577	
\$ 0	\$ 5,087																						
0	5,085																						
0	786																						
0	105,000																						
0	466,517																						
0	582,475																						
Taxes	31,973																						
Intergovernmental Revenues	37,220																						
Interest	384																						
Total	69,577																						
		Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds.																					
<table border="0" style="width: 100%;"> <tr><td style="width: 100px;">0</td><td style="width: 100px;">11,989</td></tr> <tr><td style="text-align: right;">0</td><td style="text-align: right;">220,495</td></tr> <tr><td style="text-align: right; border-top: 1px solid black;">2,477</td><td style="text-align: right; border-top: 1px solid black;">122,555</td></tr> <tr><td style="text-align: right; border-top: 1px solid black;">2,477</td><td style="text-align: right; border-top: 1px solid black;">355,039</td></tr> </table>	0	11,989	0	220,495	2,477	122,555	2,477	355,039		<table border="0" style="width: 100%;"> <tr><td style="width: 100px;">Accrued Interest</td><td style="width: 100px; text-align: right;">(1,295)</td></tr> <tr><td>Special Obligation Bond</td><td style="text-align: right;">(388,600)</td></tr> <tr><td>Compensated Absences</td><td style="text-align: right; border-bottom: 1px solid black;">(30,419)</td></tr> <tr><td>Total</td><td style="text-align: right;">(420,314)</td></tr> </table>	Accrued Interest	(1,295)	Special Obligation Bond	(388,600)	Compensated Absences	(30,419)	Total	(420,314)					
0	11,989																						
0	220,495																						
2,477	122,555																						
2,477	355,039																						
Accrued Interest	(1,295)																						
Special Obligation Bond	(388,600)																						
Compensated Absences	(30,419)																						
Total	(420,314)																						
\$ 2,477	\$ 937,514	<b>Net Assets of Governmental Activities</b>	<b>\$ 7,982,419</b>																				

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2010*

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Williamsburg/ Batavia Trail</u>	<u>Lower East Fork Riparian</u>
<b>REVENUES:</b>				
Property Taxes	\$ 397,414	\$ 0	\$ 0	\$ 0
Charges for Services	91,242	0	0	0
Intergovernmental	95,751	299,830	0	558,636
Interest	2,923	0	0	0
Other	57,382	0	5,000	0
<i>Total Revenues</i>	<u>644,712</u>	<u>299,830</u>	<u>5,000</u>	<u>558,636</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
Conservation and Recreation	576,948	0	0	0
Capital Outlay	0	329,744	0	554,586
<b>Debt Service:</b>				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>576,948</u>	<u>329,744</u>	<u>0</u>	<u>554,586</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>67,764</u>	<u>(29,914)</u>	<u>5,000</u>	<u>4,050</u>
<b>OTHER FINANCING SOURCES AND USES:</b>				
Transfers In	0	0	0	0
Proceeds from Sale of Assets	3,020	0	0	0
Transfers Out	(36,864)	0	0	0
<i>Total Other Financing Sources and Uses</i>	<u>(33,844)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	33,920	(29,914)	5,000	4,050
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>194,567</u>	<u>11,451</u>	<u>137,538</u>	<u>(4,050)</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 228,487</u>	<u>\$ (18,463)</u>	<u>\$ 142,538</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements.

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2010*

All Other Governmental Funds	Total Governmental Funds		
		<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 10,717</b>
		<b>Amounts reported for governmental activities in the statement of activities are different because</b>	
\$ 0	\$ 397,414		
0	91,242		
0	954,217	Governmental funds report capital outlays as expenditures. However	
0	2,923	in the statement of activities, the cost of those assets is allocated	
81,341	143,723	over their estimated useful lives as depreciation expense. This is	
		the amount by which capital outlays exceeded depreciation in the	
		current period.	
		Capital asset additions	989,290
		Depreciation expense	(101,880)
		Excess of capital outlay over depreciations	887,410
0	576,948		
83,680	968,010	Because some property taxes will not be collected for several months	
		after the County's fiscal year ends, they are not considered as	
		"available" revenues in the governmental funds. Similarly, grants or	
20,500	20,500	shared and other revenues that do not provide current financial	
16,364	16,364	resources are not reported as revenues in the fund.	
		Taxes	5,922
120,544	1,581,822	Intergovernmental revenue	8,807
		Investment earnings	(349)
(39,203)	7,697	Total revenue	14,380
36,864	36,864	The issuance of long-term debt provides current financial resources	
0	3,020	to government funds, while the repayment of the principal of long-term	
0	(36,864)	debt consumes the current financial resources of governmental funds.	
36,864	3,020	Neither transaction, however, has any effect on net assets.	
		Repayment of Bond Principal	20,500
(2,339)	10,717	In the statement of activities, interest is accrued on outstanding bonds,	
		whereas in governmental funds, interest is expensed when due.	410
4,816	344,322		
		Some expenses reported in the statement of activities do not require	
		the use of current financial resources and therefore are not reported	
\$ 2,477	\$ 355,039	as expenditures in governmental funds.	
		Compensated Absences Payable	(3,210)
		<b>Change in Net Assets of Governmental Activities</b>	<b>\$ 930,207</b>

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
*Statement of Revenues*  
*Expenditures and Changes in*  
*Fund Balance - Budget and Actual*  
*(Non-GAAP Budgetary Basis)*  
For the Year Ended December 31, 2010

**General Fund**

	Original Budget	Final Budget	Actual	Variance with Final budget Positive (Negative)
<b>Revenues:</b>				
Property taxes	\$ 382,980	\$ 382,980	\$ 396,979	\$ 13,999
Charges for services	70,000	70,000	91,242	21,242
Intergovernmental	87,836	87,836	95,751	7,915
Interest	4,000	4,000	3,155	(845)
Other revenues	31,500	31,500	57,382	25,882
<b>Total revenues</b>	<u>576,316</u>	<u>576,316</u>	<u>644,509</u>	<u>68,193</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Conservation and Recreation	533,435	595,622	585,744	9,878
<b>Total expenditures</b>	<u>533,435</u>	<u>595,622</u>	<u>585,744</u>	<u>9,878</u>
<b>Excess of revenues over (under) expenditures</b>	<u>42,881</u>	<u>(19,306)</u>	<u>58,765</u>	<u>78,071</u>
<b>Other financing sources (uses):</b>				
Proceeds of sale of assets	0	0	3,020	3,020
Transfers (out)	(42,864)	(45,864)	(36,864)	9,000
<b>Total other financing sources (uses)</b>	<u>(42,864)</u>	<u>(45,864)</u>	<u>(33,844)</u>	<u>12,020</u>
<b>Net Change in Fund Balance</b>	17	(65,170)	24,921	90,091
Fund balance at beginning of year	130,377	130,377	130,377	0
Prior year encumbrances appropriated	16,258	16,258	16,258	0
<b>Fund balance at end of year</b>	<u>\$ 146,652</u>	<u>\$ 81,465</u>	<u>\$ 171,556</u>	<u>\$ 90,091</u>

See accompanying notes to the basic financial statements

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Notes to the Financial Statements  
For the Year Ended December 31, 2010

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**Note 1 – Reporting Entity**

Clermont County Park District, Clermont County, Ohio (the District), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is directed by a three-member Board of Commissioners appointed by the probate judge of Clermont County. The District acquires lands for conversion into forest reserves and for the conservation of the natural resources, including streams, lakes, submerged lands and swamp lands. The Board may also create parks, parkways, and other reservations and may afforest, develop, improve and protect and promote the use of same as the Board deems conducive to the general welfare.

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

As required by generally accepted accounting principles, the financial statements present the District (the primary government). The primary government includes all funds, departments, and boards for which the District is financially accountable. The District does not have any component units.

**Note 2 - Summary of Significant Accounting Policies**

The financial statements of the District have been prepared in conformity with the generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The most significant of the Council accounting policies are described below.

**Basis of Presentation**

The District's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**Government-Wide Financial Statements**

The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net assets presents the financial condition of the governmental activities for the District at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular program.

Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general receipts of the District.

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Notes to the Financial Statements  
For the Year Ended December 31, 2010

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are presented in one category; governmental.

Governmental Funds

Governmental funds are those through which most governmental functions of the District are financed. Governmental fund reporting focuses on the sources, use and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

*General Fund* - The General Fund accounts for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

*Capital Projects Fund* - This fund accounts for all revenues and expenditures related to the general capital projects of the Park District. The main reason for being classified as a major fund this year relates to the improvements the Ohio Department of Transportation made on the park roads in addition to the Safetea-Lu grants.

*Williamsburg/Batavia Trail Capital Project Fund* - This fund accounts for all revenues and expenditures related to the capital improvements to the Williamsburg/Batavia Bike Trail.

*Lower East Fork Riparian Capital Project Fund* - This fund accounts for all revenues and expenditures related to Lower East Fork Riparian project.

The other governmental funds of the District account for grants and other resources whose use is restricted for a particular purpose and for resources received for debt payments.

**Measurement Focus**

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included in the Statement of Net Assets. The Statement of Activity presents increases (i.e., revenue) and decreases (i.e., expenses) in total net assets.



**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Notes to the Financial Statements  
For the Year Ended December 31, 2010

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

**Fund Financial Statements**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenue and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

**Revenues-Exchange and Non-Exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within thirty days of year-end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return include property taxes, grants, entitlements and donations. Revenue from property taxes are recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis.

On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: delinquent taxes, grants, interest, and charges for services.

**Deferred Revenue**

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2010 but which were levied to finance fiscal year 2011 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are recorded as deferred revenue.

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Notes to the Financial Statements  
For the Year Ended December 31, 2010

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

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

**Expenses/Expenditures**

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**Budgetary Process**

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the District may appropriate. The appropriations resolution is the District's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by the District. The legal level of control has been established by the District at the fund, department, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the District. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificated of estimated resources in effect at the time final appropriations were passed by the County Park Board.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the County Park Board during the year including all supplemental appropriations.

**Cash and Investments**

The County Treasurer is the custodian for the District's cash and investments. The County's cash and investment pool holds the District's cash and investments, which are reported at the County Treasurer's carrying amount. Deposits and investments disclosures for the District as a whole may be obtained from the Clermont County Auditor, Linda L. Fraley, 101 E Main St. 2nd Floor, Batavia, Ohio 45103, [www.clermontauditor.org](http://www.clermontauditor.org), (513) 732-7150.

**Capital Assets**

Capital assets, which include property, plant, and equipment are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Notes to the Financial Statements  
For the Year Ended December 31, 2010

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction phase of proprietary capital assets is included as part of the capitalized value of the assets constructed.

All reported capital assets except for land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building Improvements	20
Vehicles	5-10
Furniture & Equipment	5-10

**Compensated Absences**

Vacation, personal and compensatory benefits are accrued as a liability as the benefits are earned if the employees' right to receive compensation are attributable to services already rendered and it is probable that the employer will compensate employees for the benefits through time off or some other means. Sick leave benefits are accrued using the vesting method. The liability is based on sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future.

Ohio law requires that vacation time not be accumulated for more than three years plus current year accrual. Employees with a minimum of one year of service become vested in accumulated unpaid vacation time. Unused vacation is payable upon termination of employment. Unused sick time may be accumulated until retirement. Employees eligible to retire under a District recognized retirement plan, with a minimum of ten years of service, are paid one-fourth of accumulated sick time upon retirement. Such payment may not exceed the value of thirty days of accrued but unused sick leave. All sick, vacation, personal and compensation payments are made at employees' current wage rates.

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligation of the funds. However, compensated absences and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally due for payment during the current year.

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Notes to the Financial Statements  
For the Year Ended December 31, 2010

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

**Net Assets**

Net Assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the Park Board or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

**Fund Balance Reserves**

The District reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances.

**Interfund Transactions**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**Note 3 – Budgetary Basis of Accounting**

While the District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) presented for the general fund is presented in the Basic Financial Statements to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Notes to the Financial Statements  
For the Year Ended December 31, 2010

**Note 3 – Budgetary Basis of Accounting (Continued)**

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

**Net Change in Fund Balance  
General Fund**

	General
GAAP Basis	\$33,920
Adjustments:	
Revenue Accruals	(203)
Expenditure Accruals	3,649
Encumbrances	(12,445)
Budget Basis	\$24,921

**Note 4 – Fund Deficits**

The Capital Projects Fund had a deficit fund balance of \$18,463 due to repayment of the advance from the primary government.

**Note 5 – Receivables**

Receivables at December 31, 2010, consisted of taxes, accrued interest, and intergovernmental receivables arising from grants, entitlements and shared revenues. No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

**Taxes**

Property taxes include amounts levied against real, public utility and tangible personal (business) property. The assessed value, by property classification, upon which taxes collected in 2010 were based, are as follows:

Real Property	\$4,181,638,650
Public Utility and Tangible Personal Property	300,397,840
Total Assessed Property Value	\$4,482,036,490

Real property taxes collected in 2010 were levied after October 1, 2009 on the assessed values of the preceding January 1, the lien date. Assessed values are established by the County Auditor at 35% of appraised market value. A revaluation of real property is required to be completed no less than every six years, with a statistical update every third year. The most recent revaluation was completed in tax year 2008. Tangible personal property tax is no longer assessed on equipment and inventory held by businesses. Real property taxes are payable annually or semi-annually. In 2010, if paid annually, payment was due by February 10, 2010. If paid semi-annually, the first payment (at least ½ of amount billed) was due February 10, 2010 with the remainder due July 8, 2010.

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Notes to the Financial Statements  
For the Year Ended December 31, 2010

**Note 5 – Receivables (Continued)**

The County Auditor distributes portions of the taxes collected to all taxing districts with periodic settlements of Real and Public Utility property taxes in February and August and Tangible Personal Property taxes in June and October for the first and second halves of the year, respectively. The County accrues billed but uncollected property taxes as receivables at their estimated net realizable value. On the modified accrual basis the delinquent taxes outstanding and available to the District within the first 30 days of 2011 were recorded as 2010 revenue, the remaining taxes receivable are offset by a credit to deferred revenue. Ohio law prohibits taxation of property from all taxing authorities in excess of 10 mills without a vote of the people. For 2010 collections, the County levied .10 mills for the District.

**Intergovernmental**

A summary of the principal items of intergovernmental receivables follows:

<u>Governmental Activities</u>	<u>Amount</u>
Homestead and Rollback	\$24,951
Water Resource Restoration	38,981
Total Governmental Activities	<u>\$63,932</u>

**Note 6 - Capital Assets**

Capital asset activity for the year ended December 31, 2010, was as follows:

	<u>Balance</u> <u>12/31/2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/2010</u>
<b>Governmental Activities</b>				
Capital Assets not being depreciated:				
Land	\$ 3,199,362	\$ 510,000	\$ 0	\$ 3,709,362
Construction in Progress	1,587,267	211,029	0	1,798,296
Total Capital Assets at Historical Cost not being depreciated	<u>4,786,629</u>	<u>721,029</u>	<u>0</u>	<u>5,507,658</u>
Capital Assets being depreciated:				
Building and Improvements	2,527,072	240,460	0	2,767,532
Furniture, Fixtures, and Equipment	213,333	27,801	0	241,134
Total Capital Assets at Historical Cost being depreciated	<u>2,740,405</u>	<u>268,261</u>	<u>0</u>	<u>3,008,666</u>
Less Accumulated Depreciation:				
Building and Improvements	(334,540)	(80,463)	0	(415,003)
Furniture, Fixtures, and Equipment	(101,787)	(21,417)	0	(123,204)
Total Accumulated Depreciation	<u>(436,327)</u>	<u>(101,880)</u>	<u>0</u>	<u>(538,207)</u>
Total Capital Assets, being depreciated, net	<u>2,304,078</u>	<u>166,381</u>	<u>0</u>	<u>2,470,459</u>
Governmental Activities Capital Assets, Net	<u>\$ 7,090,707</u>	<u>\$ 887,410</u>	<u>\$ 0</u>	<u>\$ 7,978,117</u>

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Notes to the Financial Statements  
For the Year Ended December 31, 2010

**Note 6 - Capital Assets (Continued)**

Depreciation expense was charged to governmental functions as follows:

<b>Governmental Activities</b>	
Conservation and Reservation	<u>\$101,880</u>

**Note 7 – Long-Term Debt and Obligations**

Long-term debt and other obligations of the District at December 31, 2010 were as follows:

	Interest Rate %	Maturity	Balance 12/31/2009	Additions	Deletions	Balance 12/31/2010	Amounts Due in One Year
<b>Special Obligation Bonds</b>							
2004 Special Obligation Improvement Bond	4.00%	2024	\$ 409,100	\$ 0	\$ 20,500	\$ 388,600	\$ 21,200
Compensated Absences			<u>27,209</u>	<u>8,682</u>	<u>5,472</u>	<u>30,419</u>	<u>13,999</u>
<b>Total Governmental Activities Long-Term Liabilities</b>			<u>\$ 436,309</u>	<u>\$ 8,682</u>	<u>\$ 25,972</u>	<u>\$ 419,019</u>	<u>\$ 35,199</u>

Annual debt service requirements for the District's long-term debt are as follows:

Special Obligation Bond		
Year	Principal	Interest
2011	\$ 21,200	\$ 15,544
2012	22,100	14,696
2013	23,000	13,812
2014	23,900	12,892
2015	24,800	11,936
2015-2020	140,100	43,952
2021-2024	133,500	13,616
<b>TOTAL</b>	<u>\$ 388,600</u>	<u>\$ 126,448</u>

**Special Obligation Bond**

In 2004, the District issued a special obligation bond in the amount of \$500,000 for the renovating, equipping and furnishing the Chilo Lock and Dam No. 34 Operation Building and adjacent Lockmaster House. The debt requires semi-annual interest payments and annual principal payments beginning June 1, 2004 through December 1, 2024.

**Note 8 – Amendments to Original Appropriations Budget**

Amendments beyond the object level must be approved by the Park Board. In 2010, the original appropriation measure was increased by the Board with the net effect as follows: General Fund \$65,187 and Capital Project Funds \$119,026.

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Notes to the Financial Statements  
For the Year Ended December 31, 2010

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**Note 9 - Risk Management**

The District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District belongs to the Ohio Government Risk Management Plan (the Plan), a risk-sharing pool available to Ohio local governments. The Pool provides property and casualty coverage for its members. Member governments pay annual contributions to fund the Plan. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

The Plan retains property risks, including automobile physical damage, up to \$4,000,000 on any specific loss in any one occurrence.

The aforementioned casualty and property reinsurance agreements do not discharge the Plan's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective local government. Settled claims have not exceeded coverage in any of the past five years.

The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**Note 10 - Defined Benefit Pension Plans**

**Ohio Public Employees Retirement System**

**Public Employees Retirement System:**

All full-time employees, other than teachers, participate in the Ohio Public Employees Retirement System (OPERS) which is a public employee retirement system created by the State of Ohio. OPERS administers three separate pension plans as described below:

- The Traditional Pension Plan - a cost sharing multiple-employer defined benefit pension plan;
- The Member-Directed Plan - a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan members accumulate retirement assets equal to the value of member and vested employer contributions plus any investment earnings.
- The Combined Plan - a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS, provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed plan do not qualify for ancillary benefits. The authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS, issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, Attention: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 614-222-5601 or 800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. For 2010, member and employer contribution rates were consistent across all three plans. The employee contribution rate for 2010 was 10.0% for employees. The 2010 employer contribution rate was 14.0% of covered payroll. The District's contributions to PERS for the years ended December 31, 2010, 2009 and 2008 were \$36,198; \$37,649; and \$35,479, respectively, 100% has been contributed for the years 2010, 2009, and 2008.



**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Notes to the Financial Statements  
For the Year Ended December 31, 2010

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**Note 11 - Postemployment Benefits**

**Ohio Public Employees Retirement System**

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Tradition Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-retirement health care coverage, age and service retirees under the Tradition Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and qualified survivor benefit recipients is available. The health care coverage provided by the retirement system meets the definition of an Other Post-employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care based on authority granted by state statute. The 2010 employer contribution rate was 14.0% of covered payroll for employees. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for employees. Active members do not make contributions to the OPEB plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care was 5.50% from January 1 through February 28, 2010 and 5% from March 1 to December 31, 2010. The District's actual contributions for 2010 which was used to fund OPEB were \$12,928 for employees. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008. Member and employer contribution rates for law enforcement and public safety increased over a six year period beginning on January 1, 2006 with a final rate increase on January 1, 2011. These rate increases allow additional funds to be allocated to the health care plan.

**Note 12 – Other Employee Benefits**

District employees have the option of participating in four state-wide deferred compensation plans created in accordance with the Internal Revenue Code Section 457. Under this program, employees elect to have a portion of their pay deferred until a future time. According to this plan, the deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The deferred pay and any income earned thereon is not subject to income tax until actually received by the employee. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights (until paid or made available to the employee or other beneficiary) must be held in a trust, custodial account, or annuity contract for the exclusive benefit of plan participants and their beneficiaries. Deferred amounts from the plan are not considered "made available" just because a trust, custodial account or annuity contract holds these amounts. The Plan Agreement states that the District and the plan administrators have no liability for losses under the plan with the exception of fraud or wrongful taking.

**CLERMONT COUNTY PARK DISTRICT**  
**CLERMONT COUNTY**  
Notes to the Financial Statements  
For the Year Ended December 31, 2010

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**Note 13 – Contingent Liabilities**

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

***Perry & Associates***  
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**INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

June 28, 2011

Clermont County Park District  
Clermont County  
2228 Highway 50  
Batavia, Ohio 45103

To the Board of Commissioners:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **Clermont County Park District**, Clermont County, Ohio (the District) as of and for the year ended December 31, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

**Internal Control over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of internal control deficiencies resulting in a more than reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected.

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

### **Compliance and Other Matters**

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

We intend this report solely for the information and use of the audit committee, management, the Board, and others within the District. We intend it for no one other than these specified parties.

Respectfully Submitted,

A handwritten signature in black ink that reads "Perry & Associates CPAs A.C." in a cursive script.

**Perry and Associates**  
Certified Public Accountants, A.C.



# Dave Yost • Auditor of State

**CLERMONT COUNTY PARK DISTRICT**

**CLERMONT COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 27, 2011**