



Dave Yost • Auditor of State

**CLEVELAND METROPOLITAN PARK DISTRICT
CUYAHOGA COUNTY**

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**CUYAHOGA METROPOLITAN PARK DISTRICT
CUYAHOGA COUNTY
FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012**

| FEDERAL GRANTOR/ Pass-Through Grantor/ Program Title | Pass Through Entity Number | CFDA Number | Expenditures |
|--|---------------------------------------|------------------------|-----------------------|
| <u>U.S DEPARTMENT OF TRANSPORTATION</u> | | | |
| Highway Planning and Construction Cluster: <i>Passed Through Ohio Department of Transportation</i> Cuyahoga Rivergate Park | PID 89697 | 20.205 | \$ <u>600,000</u> |
| <i>Passed Through Ohio Department of Natural Resources</i> Big Creek Connector Trail | RT11 (214) | 20.219 | <u>3,200</u> |
| Total Highway Planning and Construction Cluster | | | <u>603,200</u> |
| Total Department of Transportation | | | <u>603,200</u> |
| <u>U.S DEPARTMENT OF THE INTERIOR</u> | | | |
| <i>Passed Through Ohio and Erie Canalway Association</i> Rivergate Park Phase 1 | N/A | 15.XXX | <u>73,230</u> |
| Songs and Images of Canalway's Past | N/A | 15.XXX | <u>5,632</u> |
| <i>Direct Federal Assistance Programs:</i> Cuyahoga River Cooperative Weed Management Area Assistance | R6167110017 | 15.XXX | <u>21,761</u> |
| Total U.S. Department of the Interior | | | <u>100,623</u> |
| <u>U.S. INSTITUTE OF MUSEUM & LIBRARY SERVICES</u> | | | |
| <i>Passed Through Cleveland Zoological Society</i> Museums for America | MA-06-08-0349-08 | 45.301 | <u>69,385</u> |
| Total U.S. Institute of Museum & Library Services | | | <u>69,385</u> |
| <u>U.S. DEPARTMENT OF JUSTICE</u> | | | |
| <i>Direct Federal Assistance Program:</i> Ranger Drug Offense | N/A | 16.000 | <u>31,681</u> |
| Total U.S. Department of Justice | | | <u>31,681</u> |

(Continued on the next page.)

**CUYAHOGA METROPOLITAN PARK DISTRICT
 CUYAHOGA COUNTY
 FEDERAL AWARDS EXPENDITURES SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012**

| FEDERAL GRANTOR/ <i>Pass-Through Grantor/ Program Title</i> | Pass Through Entity Number | CFDA Number | Expenditures |
|--|--|-----------------------------------|-----------------------------------|
| <u>U.S ENVIRONMENTAL PROTECTION AGENCY</u> | | | |
| <i>Direct Federal Assistance Programs:</i> | | | |
| West Creek Ecosystem Restoration Project | GL-00E00818-0 | 66.469 | \$ <u>36,217</u> |
| Regional Ecosystem Monitoring & Assessment Program | CD-00E00744-0 | 66.461 | <u>52,392</u> |
| Invasive Plant Partnership Program | GL-00E00800-0 | 66.469 | <u>5,292</u> |
| Region 5 Wetland Program Development | CD-00E00965-0 | 66.461 | <u>69,476</u> |
| <i>Passed Through Ohio EPA</i> | | | |
| Big Creek Water Quality Improvement | 10SWIF-GLRI-CU | 66.469 | <u>181,000</u> |
| Total U.S. Environmental Protection Agency | | | <u>344,377</u> |
| TOTAL FEDERAL AWARDS EXPENDITURES | | | <u><u>\$ 1,149,266</u></u> |

See Notes to the Federal Awards Expenditures Schedule.

**CLEVELAND METROPOLITAN PARK DISTRICT
CUYAHOGA COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2012**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the Cleveland Metropolitan Park District's (the District's) federal award programs' disbursements. The Schedule has been prepared on the cash basis of accounting.

NOTE B - MATCHING REQUIREMENTS

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

CFDA – Catalog of Federal Domestic Assistance.

N/A – Not applicable.

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Dave Yost • Auditor of State

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

Cleveland Metropolitan Park District
Cuyahoga County
4101 Fulton Parkway
Cleveland, Ohio 44144

To the Board of Park Commissioners

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the discretely presented component unit, the major fund, and the aggregate remaining fund information of the Cleveland Metropolitan Park District, Cuyahoga County, Ohio (the District) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 27, 2013. Our report refers to other auditors who audited the financial statements of the Cleveland Zoological Society, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

Columbus, Ohio

June 27, 2013



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133, AND THE FEDERAL AWARDS EXPENDITURES SCHEDULE

Cleveland Metropolitan Park District
Cuyahoga County
4101 Fulton Parkway
Cleveland, Ohio 44144

To the Board of Park Commissioners:

Report on Compliance for the Major Federal Program

We have audited the Cleveland Metropolitan Park District, Cuyahoga County, Ohio, (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the Cleveland Metropolitan Park District's major federal program for the year ended December 31, 2012. The *Summary of Audit Results* in the accompanying schedule of findings identifies the District's major federal program.

Management's Responsibility

The District's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the District's major program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on the Major Federal Program

In our opinion, the Cleveland Metropolitan Park District, Cuyahoga County, Ohio complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2012.

Report on Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on the major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

Report on Federal Awards Expenditures Schedule Required by OMB Circular A-133

We have also audited the financial statements of the governmental activities, the discretely presented component unit, the major fund and the aggregate remaining fund information of the Cleveland Metropolitan Park District, Cuyahoga County, Ohio, (the District) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated June 27, 2013. We conducted our audit to opine on the District's basic financial statements. The accompanying federal awards expenditures schedule presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Dave Yost
Auditor of State

Columbus, Ohio

June 27, 2013

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**CLEVELAND METROPOLITAN PARK DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2012**

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---------------------|--|--|
| <i>(d)(1)(i)</i> | Type of Financial Statement Opinion | Unmodified |
| <i>(d)(1)(ii)</i> | Were there any material control weaknesses reported at the financial statement level (GAGAS)? | No |
| <i>(d)(1)(ii)</i> | Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)? | No |
| <i>(d)(1)(iii)</i> | Was there any reported material noncompliance at the financial statement level (GAGAS)? | No |
| <i>(d)(1)(iv)</i> | Were there any material internal control weaknesses reported for major federal programs? | No |
| <i>(d)(1)(iv)</i> | Were there any significant deficiencies in internal control reported for major federal programs? | No |
| <i>(d)(1)(v)</i> | Type of Major Programs' Compliance Opinion | Unmodified |
| <i>(d)(1)(vi)</i> | Are there any reportable findings under § .510(a)? | No |
| <i>(d)(1)(vii)</i> | Major Programs (list): | Highway Planning and Construction Cluster: Cuyahoga Rivergate Park, CFDA #20.205 Big Creek Connector Trail, CFDA #20.219 |
| <i>(d)(1)(viii)</i> | Dollar Threshold: Type A\B Programs | Type A: > \$ 300,000 Type B: all others |
| <i>(d)(1)(ix)</i> | Low Risk Auditee? | No |

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

CLEVELAND METROPARKS

Comprehensive Annual Financial Report

For the Year Ended December 31, 2012

Serving Cuyahoga County and Hinckley Township in Medina County, Ohio

Board of Park Commissioners:
Debra K. Berry, President
Dan T. Moore, Vice-President
Bruce G. Rinker, Vice-President

Brian M. Zimmerman, Chief Executive Officer
David J. Kuntz, Chief Financial Officer



**Cleveland
Metroparks**

clevelandmetroparks.com

Cleveland Metroparks

Cuyahoga County and Hinckley Township, Ohio

Comprehensive Annual Financial Report

For The Year Ended December 31, 2012

Prepared by:

David J. Kuntz, CPA, Chief Financial Officer
and the Department of Finance

INTRODUCTORY SECTION

Cleveland Metroparks
Comprehensive Annual Financial Report
For the Year Ended December 31, 2012
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CLEVELAND METROPARKS

ESTABLISHED 1917

BOARD OF PARK COMMISSIONERS

DEBRA K. BERRY, PRESIDENT

DAN T. MOORE, VICE-PRESIDENT

BRUCE G. RINKER, VICE-PRESIDENT

CHIEF EXECUTIVE OFFICER

BRIAN M. ZIMMERMAN

June 27, 2013

To the Citizens of Cuyahoga County
and Hinckley Township of Medina County
Honorable Judge Anthony J. Russo
Debra K. Berry, *Board of Park Commissioners*, President
Dan T. Moore, *Board of Park Commissioners*, Vice-President
Bruce G. Rinker, *Board of Park Commissioners*, Vice-President

Formal Letter of Transmittal

We are pleased to submit the Cleveland Metroparks' (the Metroparks) first Comprehensive Annual Financial Report (CAFR). This report conforms to Generally Accepted Accounting Principles (GAAP) and provides full and complete disclosure of the financial position and operations of Cleveland Metroparks for the year ended December 31, 2012. The accuracy of the data and the completeness and fairness of the presentation, including all disclosures, are the responsibility of Cleveland Metroparks' management. The accuracy and completeness of this data is based on a comprehensive framework of internal controls that are established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. To the best of our knowledge and beliefs, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position of the entity as a whole and the results of operations of the various operations of the Cleveland Metroparks. All disclosures necessary to enable the reader to gain an understanding of the Cleveland Metroparks' financial activities have been included.

Ohio law requires that public offices reporting pursuant to GAAP shall file their reports with the Auditor of the State and publish notice of the availability of the financial statements within 150 days of the close of each year. The General Purpose External Financial Statements from this report were filed to fulfill that requirement for the year ended December 31, 2012.

State statutes require independent audits to be performed on all financial operations of Cleveland Metroparks. The Auditor of State, Dave Yost, has issued an unmodified ("clean") opinion on the Cleveland Metroparks financial statements for the year ended December 31, 2012. The independent auditor's report on the basic financial statements is located at the front of the Financial Section of this report.

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This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A) section and should be read in conjunction with it. The MD&A provides a narrative introduction, overview, and analysis of the basic financial statements.

Reporting Entity

In evaluating how to define the Cleveland Metroparks for financial reporting purposes, management has considered all agencies, departments and organizations making up Cleveland Metroparks and its potential component units consistent with Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity".

Component units are legally separate organizations for which the Metroparks are financially accountable. The Metroparks are considered financially accountable for an organization if the Metroparks appoint a voting majority of the organization's governing board and 1) the Metroparks are able to significantly influence the programs or services performed or provided by the organization; or 2) the Metroparks are legally entitled to or can otherwise access the organization's resources; the Metroparks are legally obligated or has otherwise assumed the responsibility to financial deficits of or provide financial support to the organization or the Metroparks are obligated for the debt of the organization. Component units may also include organizations that are fiscally dependant on the Metroparks in that the Metroparks approve the budget, the issuance of debt, or the levying of taxes.

The component unit column in the entity-wide financial statements that follow identify the financial data of Cleveland Metroparks' component unit, the Cleveland Zoological Society, which is reported separately to emphasis that it is legally separate from the Cleveland Metroparks.

Cleveland Zoological Society (the Zoo Society) is a nonprofit organization which operates under a Board of Trustees. The Zoo Society promotes the conservation and propagation of wildlife primarily through the support of Cleveland Metroparks. The Zoo Society will engage the community in support of Cleveland Metroparks Zoo (the Zoo) and its mission to improve the future for wildlife and will marshal the resources necessary to ensure that the Zoo remains one of the region's preeminent destinations and ultimately one of the top five zoos in the country. Since the economic resources received by the Zoo Society are primarily for the benefit of and are generally accessible to the Cleveland Metroparks, the Zoo Society is presented as a component unit of the Cleveland Metroparks. The Zoo Society is included as a component unit of Cleveland Metroparks due to Cleveland Metroparks' influence on the programs and services provided by the Zoo Society and due to the operating agreement between Cleveland Metroparks and the Zoo Society. The Cleveland Metroparks does not appoint any members of the Zoo Society's governing board or approve the budget or debt issuance of the Zoo Society.

Cleveland Metroparks Profile

Cleveland Metroparks was established on July 23, 1917, and today consists of 22,218 acres of land in 17 reservations, their connecting parkways, and Cleveland Metroparks Zoo. The Metroparks is dedicated to conservation, education and recreation. Over 100 miles of parkways provide driving pleasure and easy access to Cleveland Metroparks facilities including; picnic areas and playfields, wildlife management areas and waterfowl sanctuaries, hiking, bridle, all purpose and physical fitness trails, eight golf courses, seven outdoor education facilities, swimming, boating, and fishing, tobogganing, sledding, ice skating, and cross-country skiing.

Cleveland Metroparks is a separate political subdivision of the State of Ohio. The Metroparks is governed by a Board of Park Commissioners, composed of three citizens who serve three-year terms without compensation. Board members are appointed by the presiding Judge of the Probate Court of Cuyahoga County, The Honorable Judge Anthony J. Russo. The 2013 officers for the Board of Park Commissioners are:

Debra K. Berry, President
Dan T. Moore, Vice-President
Bruce G. Rinker, Vice-President

Cleveland Metroparks mission is to conserve natural resources and enhance people's lives by integrating outdoor education, recreation and zoological opportunities. The majority of Cleveland Metroparks more than 22,000 acres in 17 reservations are dedicated to conservation. Whether to promote fishing opportunities within Cleveland Metroparks lakes or restore wetlands, natural resource management is a significant endeavor of the Metroparks.

Outdoor education is provided through seven outdoor education facilities. Outdoor education is provided through individual and group programming at all seven nature/visitor centers. In addition, Cleveland Metroparks maintains NatureTracks, a mobile education unit, which travels to area schools and locations throughout Cuyahoga County to bring nature education to children who otherwise might not experience the natural environment. Additionally, through a "Grow up Great" grant from PNC Bank, Cleveland Metroparks will continue to provide a mobile education vehicle focusing on programming for pre-kindergarten children including programs administered by the Cleveland Municipal School District and the Headstart program. In addition, the vehicle will travel to fairs and festivals all summer long spreading an important environmental message to families. In addition, Cleveland Metroparks, in cooperation with the City of Cleveland and The Ohio State University Extension/4-H, provides outdoor recreation and education experiences for the urban youth of Cleveland through the Youth Outdoors Program.

Recreation is provided at eight golf courses, the Chalet Recreation Area, swimming at four locations, two horse stables, numerous ball fields, open play areas and hundreds of miles of trails. Washington Golf Course, part of Washington Reservation, opened in the spring of 2006. Funded by the First Tee of Cleveland, Inc., and featuring a 9-hole golf course, a covered teaching pavilion, a 30-station driving range, putting/chipping areas and a 6,000 square foot Life Skills/Golf Center. This cooperative venture between the Cleveland Municipal School District, The City of Cleveland and the First Tee of Cleveland, Inc. is the only Audubon International Gold Certified 9-hole golf course in America. In January of 2011, through a collaborative agreement with The City of Cleveland, Cleveland Metroparks acquired Seneca Golf Course. This new opportunity provides two 18-hole golf courses within the Brecksville Reservation.

The Cleveland Zoo provides recreation, education and conservation and is recognized as one of the finest zoos in the United States, with more than 3,300 animals encompassing 183 rolling acres. 2011 facilitated completion of the African Elephant Crossing exhibit. Supported by more than a century of experience caring for elephants, African Elephant Crossing dramatically increased the indoor and outdoor space dedicated to a herd of male and female elephants in the stimulating African themed habitat. African Elephant Crossing, representing the Zoo's largest capital project (\$25 million) since The RainForest opened in 1992, attracted over 1.3 million visitors in 2011. African Elephant Crossing would not have been possible without the participation and support of the Cleveland Zoological Society, in which approximately half of the construction costs were raised.

The award winning Cleveland Metroparks Ranger Department is the law enforcement branch of Cleveland Metroparks. Cleveland Metroparks rangers are state-certified law enforcement officers who exercise full police powers in the commission of their duties. Rangers are on duty 24-hours a day, year-

round. Ranger Headquarters, located in Fairview Park, Ohio dispatches the department's 76 officers from 14 field offices positioned throughout the Metroparks. The Ranger Department consists of several specialized units including "state certified" law enforcement K-9 officers (German Shepherds named Radar and Rocky), an eight member mounted equestrian unit, bicycle patrol team, detective bureau, dive team and honor guard.

Economic Condition and Outlook

Cleveland Metroparks saw successful passage of a 1.8 mill levy (1.5 mill replacement with a 0.3 mill increase) in November 2004. This initiative passed with a more than 60 percent affirmative vote. This levy initially provided the Metroparks with approximately \$18 million of additional revenue per year, attributable to the new millage and updated property values in Cuyahoga County and Hinckley Township of Medina County. The levy extends for ten years (2005-2014) and has allowed Cleveland Metroparks to implement prioritized initiatives articulated in Cleveland Metroparks Strategic Plan. 2012 was the eighth year of this ten year levy. This one property tax levy accounted for 66 percent of Cleveland Metroparks total revenue. In preparation for the next levy request (anticipated for public vote in the fall of 2013), Cleveland Metroparks recently finalized the Cleveland Metroparks 2020: The Emerald Necklace Centennial Plan and Cleveland Metroparks Zoo strategic long term plans.

Cuyahoga County, Ohio in which 82 percent of Cleveland Metroparks acreage exists, spans a total of 1,246 square miles. According to the 2010 census, its population has decreased 8.2 percent since 2000. However, it is still the most populous and urbanized county in the State of Ohio. In 2012, Cuyahoga County's unemployment rate was 6.6 percent. Comparatively, the national unemployment rate was 7.9 percent and Ohio's was 6.7 percent in 2012. Real estate values within Cuyahoga County, as they did across most of the country, decreased approximately 7.5 percent during the most recent revaluation process conducted in 2012. This will have an impact on Cleveland Metroparks as the 2013 new levy millage is determined.

Significant Initiatives

Cleveland Metroparks has remained committed to supporting existing facilities and infrastructure with a balance of new initiatives. Parkway paving and bridge rehabilitation remain a priority throughout Cleveland Metroparks.

Significant land acquisitions were completed during 2012 bringing the total acres within Cleveland Metroparks reservations to 22,218 acres in 17 reservations.

Acacia Reservation, this new 155 acre green space oasis within the City of Lyndhurst, will begin the preliminary phases to convert this previous country club into an active green space for public access.

West Creek Reservation will open in the spring of 2013 and will include the Watershed Stewardship Center at West Creek, trails, picnic shelter, parkways and maintenance facility.

The Washington Golf Course opened in the spring of 2006 providing a 9-hole golf course and learning center funded by the First Tee of Cleveland, Inc. in cooperation with the Cleveland Municipal School District and the City of Cleveland. 2008 saw construction of a covered teaching pavilion allowing for expanded instructional use and golf camps at the driving range. Youth programming continues to be a priority at this urban golf facility.

In January of 2011, through a 99-year lease with The City of Cleveland, Cleveland Metroparks acquired Seneca Golf Course. This new opportunity currently provides two 18-hole golf courses within Brecksville Reservation as it continues to undergo some significant capital improvements.

Cleveland Metroparks Zoo featured the opening of the new African Elephant Crossing exhibit in May, 2011. This collaborative initiative features a holding capacity for up to seven elephants, an African village, aviary and numerous other exhibits. This new exhibit attracted over 1.3 million visitors in 2011 and continues to be a huge success.

Financial Policies

Cleveland Metroparks has 103 short and long term financial policies available for its staff on Cleveland Metroparks intranet and available to any citizen who request the same through the Department of Finance. The extensive policies address areas such as short and long-range planning, investments, budgeting, revenue, expenditures, payroll, capital assets, and auditing. A brief description of each are as follows:

Short and Long Range Planning

In conjunction with the departmental goals and objectives, short and long term operating and capital allocations are determined utilizing a financial forecast. This forecast ensures funds are adequately available through the ten year 1.8 mill levy passed in November, 2004 for collection in years 2005-2014. Further, the annual spending plan details monthly revenue and expenditure planning throughout the budget year.

Investments

The investment policy strives to maximize liquidity, safety and return. In accordance to investments available under Ohio Revised Code, the Chief Financial Officer shall exercise a standard of prudence and diversify investment instruments to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual institutions or maturities. A report of all investments is submitted to the Board of Park Commissioners monthly.

Budgeting

The budget policies incorporate an extensive process in which all division managers are involved. Cleveland Metroparks adopts a temporary budget, representing 24 percent of the prior year's budget, until the final budget is approved by the end of the first quarter. Financial reports are generated monthly and monitoring is done by division supervisors, chiefs, the Chief Executive Officer and the Chief Financial Officer. Budget adjustments can be accomplished within the object level without board action and between object accounts with board action.

Revenue

Thirty-seven revenue locations include: eight golf courses, Cleveland Metroparks Zoo, The Chalet, Earthwords Nature Shops and seven nature centers. The locations deposit revenues directly and prepare summary reports weekly. Weekly revenue reports are then sent to accounting where they are entered into the accounting system and ultimately reconciled to the monthly bank statement. The Accounting Manual details specific cash collection and inventory procedures for each revenue location.

Expenditures

Cleveland Metroparks expenditures reflect the Board of Park Commissioners and staff's commitment to serve present and future citizens with reliable conservation, education and recreation opportunities. Expenditures are projected conservatively using an objective and analytical approach as well as certain techniques such as historical patterns, current information, and economic trends to maintain consistency, reliability, and reasonableness. Prudent expenditure planning and accountability ensures financial stability.

Payroll

Maintenance of accurate and complete payroll records is crucial to the overall control of expenditures and proper reporting of payroll costs. Adopted policies in this area provide a framework by which payroll is structured to provide effective internal controls and documentation.

Capital Assets

Capital Assets are tangible or intangible assets that have an initial useful life beyond five years. Capital assets include land, land improvements, buildings, site structures, exhibits, construction in progress, vehicles, machinery and equipment, and infrastructure. Capitalization limits have been established based on each of these asset classes and serve by which asset acquisitions are added to the capital asset accounts. Cleveland Metroparks depreciates in accordance with the requirements of the Governmental Accounting Standards Board's, Statement 34.

Compliance

Cleveland Metroparks' operational compliance function ensures financial integrity, the safeguarding of assets and adherence to established policies and procedures. Procedural reviews are performed throughout the year and include areas such as cash handling, inventory control, capital assets and payroll.

Awards and Achievements

The Government Finance Officers Association of the United States and Canada (GFOA) has presented an award of Distinguished Budget Presentation to Cleveland Metroparks for its annual budget for 20 consecutive fiscal years beginning January 1, 1993 through January 1, 2012. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device. The award is valid for a period of one year only.

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to a governmental unit that publishes an easily readable and efficiently organized Comprehensive Annual Financial Report which conforms to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

The Cleveland Metroparks believes the current report conforms to the requirements and standards of the Certificate of Achievement Program and has submitted it to the GFOA to determine its eligibility for our first Certificate of Achievement.

Cleveland Metroparks received the Ohio Auditor of State Award from Auditor of State Dave Yost for exemplary financial reporting for 2011 and 2012 where he cited that "The citizens you represent are well-served by your effective and accountable financial practices."

Cleveland Metroparks additionally was the only governmental agency in Ohio and only Metroparks in the United States to receive the National Purchasing Institute's 2012 Achievement of Excellence in Procurement Award.

Chief Financial Officer, David J. Kuntz, CPA, received the Crain's Cleveland Business 2012 CFO of the Year Award in the Medium Non-Profit/Government category.

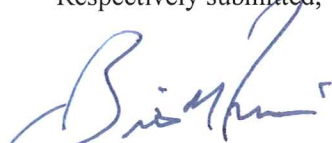
Acknowledgements

Successful preparation of a report of this scope depends upon the dedicated contribution of many employees. The sincere appreciation of those primarily responsible for its completion is extended to all contributors, but especially to those employees in the Finance Department. To a greater extent, the employees of the Local Government Services Section of the Auditor of State, contributed significantly to the preparation of this report. Finally, management wants to extend its appreciation to the Board of Park Commissioners for their support and commitment to exemplary financial reporting.

Postscript

The employees of Cleveland Metroparks are proud of the community in which we work and live. We pledge our continued dedication to providing the highest possible level of service to the citizens of Cuyahoga County and Hinckley Township of Medina County. We are committed to enhancing the quality of life that our community has come to expect and enjoy.

Respectively submitted,



Brian M. Zimmerman
Chief Executive Officer



David J. Kuntz, CPA
Chief Financial Officer

CLEVELAND METROPARKS

**LIST OF PRINCIPAL OFFICIALS
DECEMBER 31, 2012**

Senior Probate Court Judge Anthony J. Russo

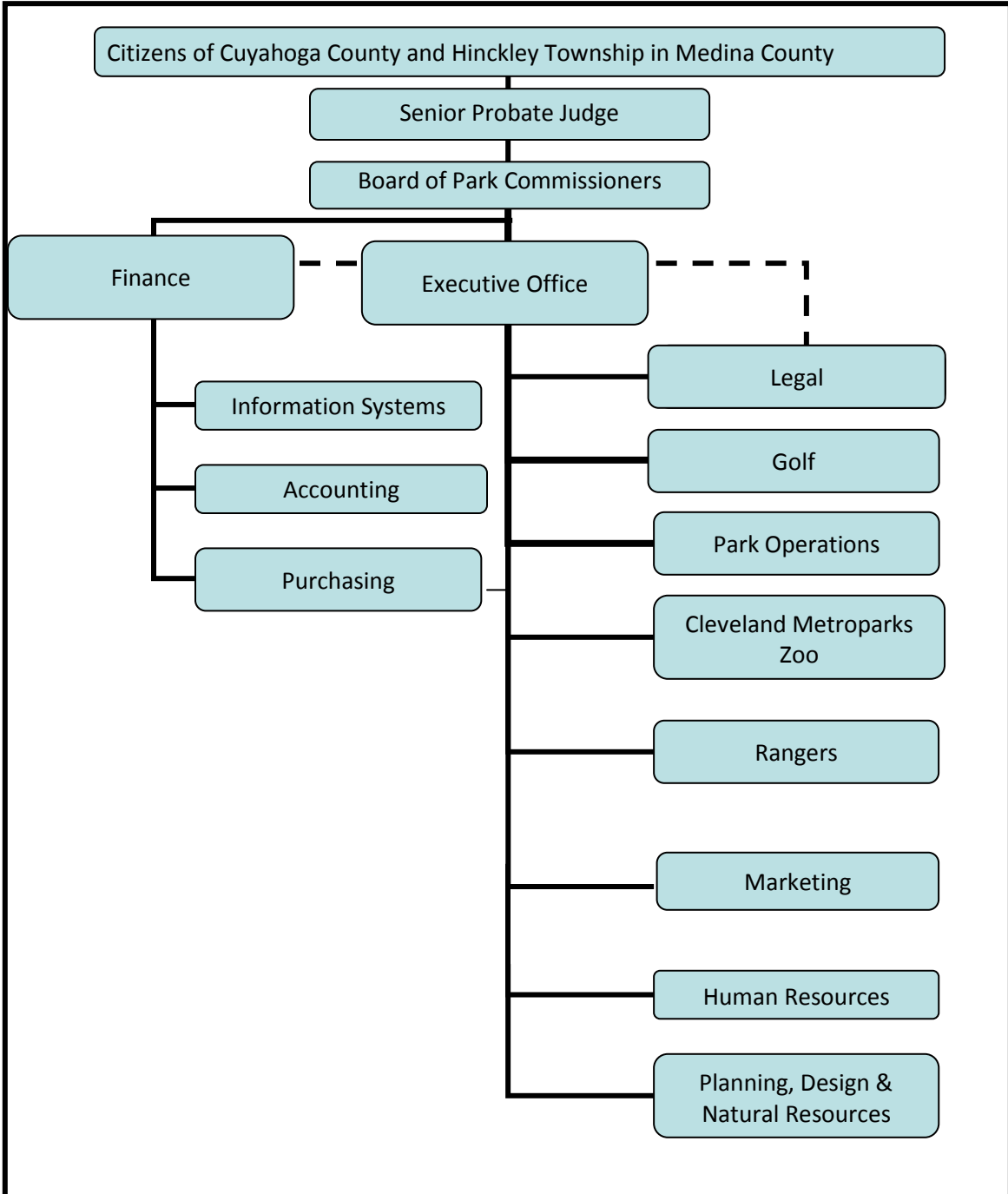
Board of Park Commissioners Debra K. Berry, President*
Dan T. Moore, Vice President*
Bruce G. Rinker, Vice President*

Chief Executive Officer Brian M. Zimmerman

Chief Financial Officer David J. Kuntz, CPA

*Titles are effective January 1, 2013.

ORGANIZATIONAL CHART



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FINANCIAL SECTION

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Cleveland Metropolitan Park District
Cuyahoga County
4101 Fulton Parkway
Cleveland, Ohio 44144

To the Board of Park Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, the major fund, and the aggregate remaining fund information of the Cleveland Metropolitan Park District, Cuyahoga County, Ohio (the District), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We did not audit the financial statements of the Cleveland Zoological Society, which represent all of the assets, net assets and revenues of the Cleveland Zoological Society. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amount included for the District, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

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

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

Lausche Building, 615 Superior Ave., NW, Twelfth Floor, Cleveland, Ohio 44113-1801
Phone: 216-787-3665 or 800-626-2297 Fax: 216-787-3361

www.ohioauditor.gov

Opinion

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, the major fund, and the aggregate remaining fund information of the Cleveland Metropolitan Park District, Cuyahoga County, Ohio, as of December 31, 2012, and the respective changes in financial position, thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, 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 applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the District's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, and individual fund statement and schedule, and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The financial section's combining statements, individual fund statement and schedule, are management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2013, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State

Columbus, Ohio

June 27, 2013

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Cleveland Metroparks
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

The discussion and analysis of Cleveland Metroparks (the Metroparks) financial performance provides an overall review of the Metroparks' financial activities for the year ended December 31, 2012. The intent of this discussion and analysis is to look at the Metroparks' financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the Metroparks' financial performance.

Financial Highlight

Key financial highlights for 2012 are as follows:

- In total, net position increased approximately \$6.7 million from 2011. Although Current and Other Assets decreased in 2012 due to less State funding and property taxes, this decrease was offset by an increase in capital assets due primarily to the addition of land and increased construction in progress.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the Metroparks as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at our specific financial conditions.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole Metroparks, presenting both an aggregate view of the Metroparks' finances and a longer-term view of those assets. The Statement of Activities shows changes to net position related to each department of the Metroparks. Fund financial statements tell how services were financed in the short-term as well as what dollars remain for future spending.

Reporting on the Metroparks as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and Statement of Activities include all assets and liabilities and deferred inflows of resources, using the accrual basis of accounting similar to the accounting method used by the private sector. The basis for this accounting takes into account all of the current year's revenues and expenses regardless of when the cash was received or paid.

These two statements report the Metroparks' net position and the changes in those assets. The change in net position is important because it tells the reader whether, for the Metroparks as a whole, the financial position of the Metroparks has improved or diminished. However, in evaluating the overall position of the Metroparks, non-financial information such as changes in the Metroparks' tax base and the condition of the Metroparks' capital assets will also need to be evaluated.

Cleveland Metroparks
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

In the Statement of Net Position and the Statement of Activities, the Metroparks' activities are divided into two types of activities:

- **Governmental Activities** – All of the Metroparks' services are reported here, including zoo operations, park operations, golf course, ranger department and administration.
- **Component Unit** – The Metroparks includes the financial data of Cleveland Zoological Society (the Zoo Society). The Zoo Society is a nonprofit organization which operates under a Board of Trustees. The Zoo Society promotes the conservation and propagation of wildlife – particularly endangered species – primarily through the support of the Metroparks. The Zoo Society will engage the community in support of the Cleveland Zoo (the Zoo) and in its mission to improve the future for wildlife and will marshal the resources necessary to ensure that the Zoo remains one of the region's preeminent destinations and ultimately one of the top five Zoos in the country. Since the economic resources received by the Zoo Society are almost entirely for the benefit of and accessible to the Metroparks, the Zoo Society is presented as a component unit of the Metroparks. The Cleveland Zoological Society is included as a component unit of the Metroparks due to the Metroparks' influence on the programs and services provided by Cleveland Zoological Society and due to the operating agreement between the Cleveland Metroparks and Cleveland Zoological Society (Note 17). The Metroparks does not appoint any of the members of Cleveland Zoological Society's governing board or approve the budget or debt issuance of Cleveland Zoological Society.

Reporting on the Metroparks Most Significant Fund

Governmental Fund

The presentation for the Metroparks' primary fund, the general fund, focuses on how resources flow into and out of it and the balance that is left at year-end and available for spending in future periods. The general fund is reported using modified accrual accounting which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Metroparks' general operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our users. The relationship (or difference) between governmental activities (reported on the Statement of Net Position and the Statement of Activities) and the general fund is reconciled in the financial statements.

Cleveland Metroparks
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

The Cleveland Metroparks as a Whole

Recall that the Statement of Net Position looks at the Metroparks as a whole. Table 1 provides a summary of the Metroparks' net position for 2012 compared to 2011.

Table 1
Net Position

| | 2012 | 2011 | Change |
|--------------------------------------|----------------------|----------------------|--------------------|
| Assets | | | |
| Current and Other Assets | \$69,189,436 | \$84,591,004 | (\$15,401,568) |
| Nondepreciable Capital Assets | 94,235,513 | 78,456,008 | 15,779,505 |
| Depreciable Capital Assets | 163,946,650 | 159,590,199 | 4,356,451 |
| <i>Total Assets</i> | <u>327,371,599</u> | <u>322,637,211</u> | <u>4,734,388</u> |
| Liabilities | | | |
| Current and Other Liabilities | 5,407,764 | 5,283,005 | 124,759 |
| Long-Term Liabilities: | | | |
| Due Within One Year | 1,777,028 | 2,157,433 | (380,405) |
| Due in More than One Year | 4,792,232 | 4,515,650 | 276,582 |
| <i>Total Liabilities</i> | <u>11,977,024</u> | <u>11,956,088</u> | <u>20,936</u> |
| Deferred Inflows of Resources | | | |
| Property Taxes | 43,465,281 | 45,448,089 | (1,982,808) |
| Net Position | | | |
| Investment in Capital Assets | 257,396,221 | 238,046,207 | 19,350,014 |
| Unrestricted | 14,533,073 | 27,186,827 | (12,653,754) |
| <i>Net Position</i> | <u>\$271,929,294</u> | <u>\$265,233,034</u> | <u>\$6,696,260</u> |

The increase in 2012 net position is due primarily to the increase in capital assets. On the Statement of Net Position, capital assets increased significantly due to the donation of land for Acacia Reservation, the Rivergate property acquisition, and the final stages of construction on West Creek Reservation. Taxes receivable decreased as the economy slowly recovers from the downturn in the economy. Intergovernmental receivable decreased due to cuts in State funding.

Liabilities increased slightly from 2011 to 2012. The largest decrease was in intergovernmental payable, due to a decrease in the workers' compensation premium payment in 2012 compared to 2011. This decrease was offset by an increase in retainage payable.

The significant increase in capital assets impacted net position, as is evident in the large increase to investment in capital assets. Unrestricted net position decreased due to receiving less in property tax and intergovernmental revenues, and being in the eighth year of our ten-year levy cycle when cash balances normally begin to decline significantly.

Cleveland Metroparks
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

Table 2 shows the changes in net position for the years ended December 31, 2012 and 2011.

| Table 2 Changes in Net Position | | | |
|--|---------------|---------------|--------------|
| | 2012 | 2011 | Change |
| Revenues | | | |
| Program Revenues | | | |
| Charges for Services | \$15,945,741 | \$15,138,177 | \$807,564 |
| Operating Grants and Contributions | 1,903,730 | 3,092,924 | (1,189,194) |
| Capital Grants and Contributions | 16,852,984 | 24,427,952 | (7,574,968) |
| Total Program Revenues | 34,702,455 | 42,659,053 | (7,956,598) |
| General Revenues | | | |
| Property Taxes | 37,933,471 | 45,837,601 | (7,904,130) |
| Grants and Entitlements not Restricted to Specific Programs | 5,169,784 | 10,194,483 | (5,024,699) |
| Investment Earnings | 47,154 | 44,151 | 3,003 |
| Other | 510,953 | 557,554 | (46,601) |
| Total General Revenues | 43,661,362 | 56,633,789 | (12,972,427) |
| <i>Total Revenues</i> | 78,363,817 | 99,292,842 | (20,929,025) |
| Program Expenses | | | |
| Park Operations | 24,777,188 | 22,999,061 | 1,778,127 |
| Zoo Operations | 21,862,586 | 21,568,830 | 293,756 |
| Golf Course | 6,273,862 | 7,041,497 | (767,635) |
| Ranger Department | 7,406,040 | 8,039,599 | (633,559) |
| Administration | 11,347,881 | 12,315,110 | (967,229) |
| <i>Total Program Expenses</i> | 71,667,557 | 71,964,097 | (296,540) |
| <i>Change in Net Position</i> | 6,696,260 | 27,328,745 | (20,632,485) |
| <i>Net Position, Beginning of Year</i> | 265,233,034 | 237,904,289 | 27,328,745 |
| <i>Net Position, End of Year</i> | \$271,929,294 | \$265,233,034 | \$6,696,260 |

Several revenue sources fund the Metroparks. Property tax is the biggest contributor and accounted for 48.41 percent of total revenue in 2012, compared to 46.16 in 2011. The property tax of 1.8 mills was voted on by the citizenry of Cuyahoga County and Hinckley Township of Medina County in November of 2004. The levy will continue through November 2014. Capital grants and contributions accounted for 21.51 percent of total revenue in 2012, compared to 24.60 percent in 2011. The decrease is due to less donations for Acacia Reservation, the Rivergate property acquisition, and the final stages of construction on West Creek Reservation, compared to those for the Westcreek and Brecksville Reservations in 2011. The Metroparks has maintained a philosophy to strive for self-sufficiency in the areas dedicated to recreation such as the golf courses, the Zoo, the Chalet and Aquatics. In 2012, charges for services increased due to increases in golf receipts. As a result of this, charges for services in 2012 accounted for \$15,945,741 which is 20.35 percent of total revenue, compared to \$15,138,177 or 15.25 percent of total revenue in 2011.

Cleveland Metroparks
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

The expense of park operations, including outdoor education, represented 34.57 percent of total program expenses during 2012 and 31.96 percent during 2011. Continued maintenance of the seventeen park reservations combined with significant resources to complete the West Creek Reservation and the new Stewardship Center at West Creek contributed to this increase.

In 2012, zoo operation expenses amounted to \$21,862,586 of the total program expenses or 30.51 percent of program expenses, compared to \$21,568,830 or 29.97 percent in 2011.

The Metroparks has eight golf courses. Of the eight courses, three have nine holes, one has twenty-seven holes, one has thirty-six holes, and three have eighteen holes. Golf course operational expenses decreased in 2012 due to a significant effort to increase the efficiencies and effectiveness of operations.

The ranger department continues to monitor and provide safety for Metroparks' visitors and facilities. The ranger department expenses decreased from 2011 to 2012 by \$633,559 due to the Position Management Program.

Administration expenses include the Executive Office, Finance, Human Resources, Marketing, Planning, Design, and Natural Resources and Health costs. Expenses have decreased by \$967,229 due to the Position Management Program.

The Metroparks Fund

Information about the Metroparks' governmental fund begins on page 16. This fund is accounted for using the modified accrual basis of accounting. The Metroparks had governmental revenues of \$74,296,740 and expenditures of \$77,017,136. Revenue decreases are primarily due to a decrease in intergovernmental revenues, which is primarily the result of the large reduction in local government monies from the State. Expenditures increased primarily due to the costs for the West Creek Reservation project. As of the end of the current year, the Metroparks' general fund reported an ending fund balance of \$11,821,793. Nonspendable fund balance of \$1,756,268 includes prepaids and inventory. Fund balance in the amount of \$811,219 is committed to capital improvements. Assigned fund balance includes \$1,607,514 for purchases on order. Unassigned fund balances of \$7,646,792 represents all balances not previously classified.

Budgeting Highlights

The Metroparks' budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

During the course of 2012, the Metroparks amended its general fund budget. All recommendations for a budget change come from the Metroparks' Chief Financial Officer to the Board of Park Commissioners for resolution enactment on the change. The general fund is monitored closely looking for possible revenue shortfalls or over spending by individual departments.

Original budgeted revenues for the general fund were \$74,616,070; final budget amount was \$76,414,965 and the actual revenue was \$74,176,412. The major factor contributing to the decrease in actual revenue was that many expenditures related to reimbursable capital grants did not occur due to delays in the capital projects. Original budgeted expenditures were less than the final budget by \$1,762,062, primarily

Cleveland Metroparks
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

due to additional expenses budgeted for capital projects. As revenue estimates were revised, expenditure estimates followed. Actual expenditures were \$8,158,954 less than the final budget estimate due to a concerted effort to manage expenditures and help mitigate the effects of declining revenues in future years.

Capital Assets

Table 3
 Capital Assets at December 31
 (Net of Depreciation)

| | 2012 | 2011 | Change |
|--------------------------|----------------------|----------------------|---------------------|
| Land | \$71,845,586 | \$64,321,564 | \$7,524,022 |
| Land Improvement | 6,819,111 | 6,638,111 | 181,000 |
| Construction in Progress | 15,570,816 | 7,496,333 | 8,074,483 |
| Site Structures | 1,446,734 | 1,418,579 | 28,155 |
| Exhibits | 7,137,936 | 7,329,202 | (191,266) |
| Buildings | 97,206,067 | 90,554,533 | 6,651,534 |
| Machinery and Equipment | 5,041,115 | 5,544,457 | (503,342) |
| Vehicles | 2,241,900 | 2,444,490 | (202,590) |
| Infrastructure: | | | |
| Bridges | 22,658,403 | 23,493,343 | (834,940) |
| Fords | 1,617,329 | 1,679,840 | (62,511) |
| Dams | 61,398 | 63,057 | (1,659) |
| Tunnels | 751,156 | 772,097 | (20,941) |
| Utilities | 238,346 | 0 | 238,346 |
| Roads | 13,533,060 | 14,082,949 | (549,889) |
| All Purpose Trails | 7,708,783 | 7,779,974 | (71,191) |
| Golf Course Cart Paths | 621,893 | 456,093 | 165,800 |
| Other Paved Areas | 3,682,530 | 3,971,585 | (289,055) |
| <i>Totals</i> | <u>\$258,182,163</u> | <u>\$238,046,207</u> | <u>\$20,135,956</u> |

The increase in capital assets of \$20,135,956 in 2012 was primarily attributable to increases in the Nondepreciable Capital Assets and Buildings. During 2012, land increased due to the purchase of the Rivergate property and the donation received for Acacia Reservation. Construction in progress increased due to the West Creek Reservation project incurring a significant amount of completion in 2012. See Note 9 of the basic financial statements for additional information on capital assets.

Cleveland Metroparks
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

Current Financial Related Activities

The Metroparks has committed itself to financial excellence and has a history of doing just that. The Metroparks has received the Government Finance Officers *Distinguished Budget Presentation Award* for 20 consecutive fiscal years beginning January 1, 1993 through December 31, 2012.

The mission of the Cleveland Metroparks is to conserve significant natural resources and enhance people's lives by providing safe, high-quality outdoor education, recreation, and zoological opportunities. Further, The Metroparks is committed to create compelling experiences that connect people with wildlife.

Annually the Metroparks makes available financial reports and budget documents. The Metroparks publishes a variety of informative documents related to the Metroparks and the Zoo. There is also information available at both the Metroparks and Zoo web sites.

Contacting the Metroparks Chief Financial Officer

This financial report is designed to provide the citizenry with the general overview of the Metroparks finances and show the Metroparks' accountability for all money it receives, spends or invests. If you have any questions about this report or need financial information, contact Chief Financial Officer David J. Kuntz, CPA, Cleveland Metroparks, 4101 Fulton Parkway, Cleveland, Ohio 44144, or by email at djk2@clevelandmetroparks.com.

Cleveland Metroparks

Statement of Net Position

Primary Government

December 31, 2012

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| Assets | |
| Cash and Cash Equivalents | \$13,890,467 |
| Cash and Cash Equivalents in Segregated Accounts | 10,688 |
| Cash and Cash Equivalents with Fiscal Agents | 474,123 |
| Materials and Supplies Inventory | 1,529,557 |
| Accrued Interest Receivable | 2,123 |
| Accounts Receivable | 41,537 |
| Due from Component Unit | 699,732 |
| Intergovernmental Receivable | 4,763,353 |
| Prepaid Items | 226,711 |
| Taxes Receivable | 47,551,145 |
| Nondepreciable Capital Assets | 94,235,513 |
| Depreciable Capital Assets, Net | 163,946,650 |
| | <hr/> |
| <i>Total Assets</i> | <i>327,371,599</i> |
| Liabilities | |
| Accounts Payable | 1,378,361 |
| Contracts Payable | 378,253 |
| Accrued Wages | 1,595,785 |
| Matured Compensated Absences Payable | 318,621 |
| Retainage Payable | 474,123 |
| Insurance Claim Payable | 393,000 |
| Intergovernmental Payable | 869,621 |
| Long-Term Liabilities: | |
| Due Within One Year | 1,777,028 |
| Due In More Than One Year | 4,792,232 |
| | <hr/> |
| <i>Total Liabilities</i> | <i>11,977,024</i> |
| Deferred Inflows of Resources | |
| Property Taxes | 43,465,281 |
| | <hr/> |
| Net Position | |
| Investment in Capital Assets | 257,396,221 |
| Unrestricted | 14,533,073 |
| | <hr/> |
| <i>Total Net Position</i> | <i>\$271,929,294</i> |

See accompanying notes to the basic financial statements

Cleveland Metroparks
Statement of Financial Position
Component Unit - Cleveland Zoological Society
December 31, 2012

| | |
|--|---------------------|
| <hr/> <hr/> | |
| Current Assets | |
| Cash and Cash Equivalents | \$2,005,237 |
| Charitable Gift Annuities | 160,606 |
| Pledges Receivable, Net | 350,796 |
| Prepaid Expenses and Other Assets | 38,646 |
| | <hr/> |
| <i>Total Current Assets</i> | <i>2,555,285</i> |
| | <hr/> |
| Office Equipment, Software, and Network Resources, at Cost | 667,191 |
| Less: Accumulated Depreciation | (479,639) |
| | <hr/> |
| | 187,552 |
| Other Long-Term Assets | |
| Pledges Receivable, Net | 227,661 |
| Marketable Securities | 7,477,799 |
| Beneficial Interest in Perpetual Trusts | 511,535 |
| | <hr/> |
| <i>Total Long-Term Assets</i> | <i>8,404,547</i> |
| | <hr/> |
| <i>Total Assets</i> | <i>\$10,959,832</i> |
| | <hr/> <hr/> |
| Current Liabilities | |
| Accounts Payable and Accrued Expenses | 22,010 |
| Funds Held for Others | 59,928 |
| Amounts Due to Cleveland Metroparks - Operating Agreement | 699,732 |
| | <hr/> |
| Total Current Liabilities | 781,670 |
| Long-Term Liability | |
| Liability Under Split-Interest Agreements | 100,599 |
| | <hr/> |
| <i>Total Liabilities</i> | <i>882,269</i> |
| | <hr/> |
| Net Assets | |
| Unrestricted | |
| Undesignated | 741,465 |
| Board-Designated | 7,561,946 |
| | <hr/> |
| Total Unrestricted | 8,303,411 |
| Temporarily Restricted | 1,215,617 |
| Permanently Restricted | 558,535 |
| | <hr/> |
| Total Net Assets | 10,077,563 |
| | <hr/> |
| <i>Total Liabilities and Net Assets</i> | <i>\$10,959,832</i> |
| | <hr/> <hr/> |

See accompanying notes to the basic financial statements

Cleveland Metroparks
Statement of Activities
Primary Government
For the Year Ended December 31, 2012

| | Program Revenues | | | Net (Expense) |
|---|---------------------|----------------------|------------------------------------|------------------------------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Revenue and Change in Net Position |
| Primary Government | | | | |
| Governmental Activities | | | | |
| Park Operations | \$24,777,188 | \$1,484,461 | \$465,606 | \$15,827,384 |
| Zoo Operations | 21,862,586 | 8,128,588 | 762,915 | 3,600 |
| Golf Course | 6,273,862 | 6,251,559 | 63,480 | 1,022,000 |
| Ranger Department | 7,406,040 | 81,133 | 5,605 | 0 |
| Administration | 11,347,881 | 0 | 606,124 | 0 |
| Total Primary Government | \$71,667,557 | \$15,945,741 | \$1,903,730 | \$16,852,984 |
| General Revenues | | | | |
| Property Taxes | | | | 37,933,471 |
| Grants and Entitlements not Restricted to Specific Programs | | | | 5,169,784 |
| Investment Earnings | | | | 47,154 |
| Unrestricted Contributions | | | | 0 |
| Other | | | | 510,953 |
| Total General Revenues | | | | 43,661,362 |
| Change in Net Position | | | | 6,696,260 |
| Net Position Beginning of Year | | | | 265,233,034 |
| Net Position End of Year | | | | \$271,929,294 |

See accompanying notes to the basic financial statements

Cleveland Metroparks
Statement of Activities
 Component Unit - Cleveland Zoological Society
 For the Year Ended December 31, 2012

| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
|--|--------------------|---------------------------|---------------------------|---------------------|
| Support, Revenues and Gains | | | | |
| Membership | \$2,712,943 | \$0 | \$0 | \$2,712,943 |
| Individuals, Corporations, and Foundations | 1,000,570 | 913,639 | 0 | 1,914,209 |
| Capital Campaign | 0 | 129,233 | 0 | 129,233 |
| Federal Grants | 0 | 45,951 | 0 | 45,951 |
| | 3,713,513 | 1,088,823 | 0 | 4,802,336 |
| Investment Income | 833,749 | 2,350 | 0 | 836,099 |
| Special Events | 1,057,360 | 0 | 0 | 1,057,360 |
| Change in Value of Split-Interest Agreements | (5,107) | 0 | (4,483) | (9,590) |
| Net Assets Released from Restrictions | 760,433 | (760,433) | 0 | 0 |
| Total Support, Revenues and Gains | 6,359,948 | 330,740 | (4,483) | 6,686,205 |
| Expenses | | | | |
| Program Services: | | | | |
| Cleveland Metroparks | 2,716,642 | 0 | 0 | 2,716,642 |
| Membership | 892,452 | 0 | 0 | 892,452 |
| Conservation Projects | 67,776 | 0 | 0 | 67,776 |
| <i>Total Program Services</i> | <i>3,676,870</i> | <i>0</i> | <i>0</i> | <i>3,676,870</i> |
| Supporting Services: | | | | |
| Management and General | 355,783 | 0 | 0 | 355,783 |
| Fund Raising: | | | | 0 |
| Development | 696,276 | 0 | 0 | 696,276 |
| Capital Campaign | 250,240 | 0 | 0 | 250,240 |
| Adopt an Animal | 79,035 | 0 | 0 | 79,035 |
| Publications | 129,868 | 0 | 0 | 129,868 |
| Special Events | 611,565 | 0 | 0 | 611,565 |
| Total Fund Rasing | 1,766,984 | 0 | 0 | 1,766,984 |
| <i>Total Supporting Services</i> | <i>2,122,767</i> | <i>0</i> | <i>0</i> | <i>2,122,767</i> |
| <i>Total Expenses</i> | <i>5,799,637</i> | <i>0</i> | <i>0</i> | <i>5,799,637</i> |
| Change in Net Assets | 560,311 | 330,740 | (4,483) | 886,568 |
| Net Assets - Beginning of Year | 7,743,100 | 884,877 | 563,018 | 9,190,995 |
| Net Assets - End of Year | <u>\$8,303,411</u> | <u>\$1,215,617</u> | <u>\$558,535</u> | <u>\$10,077,563</u> |

See accompanying notes to the basic financial statements

Cleveland Metroparks

Balance Sheet

Governmental Fund

December 31, 2012

| | <u>General Fund</u> |
|--|----------------------------|
| Assets | |
| Cash and Cash Equivalents | \$13,890,467 |
| Cash and Cash Equivalents in Segregated Accounts | 10,688 |
| Cash and Cash Equivalents with Fiscal Agents | 474,123 |
| Materials and Supplies Inventory | 1,529,557 |
| Accrued Interest Receivable | 2,123 |
| Accounts Receivable | 41,537 |
| Due from Component Unit | 699,732 |
| Intergovernmental Receivable | 4,763,353 |
| Prepaid Items | 226,711 |
| Taxes Receivable | 47,551,145 |
| <i>Total Assets</i> | <u><u>\$69,189,436</u></u> |
| Liabilities | |
| Accounts Payable | \$1,378,361 |
| Contracts Payable | 378,253 |
| Accrued Wages | 1,595,785 |
| Matured Compensated Absences Payable | 318,621 |
| Retainage Payable | 474,123 |
| Insurance Claims Payable | 393,000 |
| Intergovernmental Payable | 869,621 |
| <i>Total Liabilities</i> | <u>5,407,764</u> |
| Deferred Inflows of Resources | |
| Property Taxes | 43,465,281 |
| Unavailable Revenue | 8,494,598 |
| <i>Total Deferred Inflows of Resources</i> | <u>51,959,879</u> |
| Fund Balance | |
| Nonspendable | 1,756,268 |
| Committed | 811,219 |
| Assigned | 1,607,514 |
| Unassigned | 7,646,792 |
| <i>Total Fund Balance</i> | <u>11,821,793</u> |
| <i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i> | <u><u>\$69,189,436</u></u> |

See accompanying notes to the basic financial statements

Cleveland Metroparks
*Reconciliation of Governmental Fund Balance to
 Net Position of Governmental Activities
 December 31, 2012*

| | |
|--|--------------|
| Total Governmental Fund Balance | \$11,821,793 |
|--|--------------|

*Amounts reported for governmental activities in the
 statement of net position are different because*

| | |
|--|-------------|
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund. | 258,182,163 |
|--|-------------|

Other long-term assets are not available to pay for current period expenditures and therefore are reported as unavailable in revenues in the fund.

| | |
|---------------------------|-----------|
| Intergovernmental | 4,408,734 |
| Delinquent Property Taxes | 4,085,864 |
| | 4,085,864 |

| | |
|-------|-----------|
| Total | 8,494,598 |
|-------|-----------|

Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund.

| | |
|----------------------|-------------|
| Compensated Absences | (5,706,162) |
| Claims Payable | (863,098) |
| | (6,569,260) |

| | |
|-------|-------------|
| Total | (6,569,260) |
|-------|-------------|

| | |
|--|-----------------------------|
| <i>Net Position of Governmental Activities</i> | <u><u>\$271,929,294</u></u> |
|--|-----------------------------|

See accompanying notes to the basic financial statements

Cleveland Metroparks
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund
For the Year Ended December 31, 2012

| | General Fund |
|---------------------------------------|---------------------|
| Revenues | |
| Property Taxes | \$45,221,267 |
| Intergovernmental | 10,667,895 |
| Donations and Sponsors | 1,903,730 |
| Interest | 47,154 |
| Golf Receipts | 6,251,559 |
| Zoo Receipts | 8,128,588 |
| Park Receipts | 1,484,461 |
| Damages and Fines | 81,133 |
| Other | 510,953 |
| | 74,296,740 |
| <i>Total Revenues</i> | <i>74,296,740</i> |
| Expenditures | |
| Current: | |
| Park Operations | 18,448,630 |
| Zoo Operations | 18,852,908 |
| Golf Course | 5,896,692 |
| Ranger Department | 7,125,113 |
| Administration | 10,675,899 |
| Capital Outlay | 16,017,894 |
| | 77,017,136 |
| <i>Total Expenditures</i> | <i>77,017,136</i> |
| <i>Net Change in Fund Balance</i> | <i>(2,720,396)</i> |
| <i>Fund Balance Beginning of Year</i> | <i>14,542,189</i> |
| <i>Fund Balance End of Year</i> | <i>\$11,821,793</i> |

See accompanying notes to the basic financial statements

Cleveland Metroparks
*Reconciliation of the Changes in Fund Balance
of Governmental Fund to the Statement of Activities
For the Year Ended December 31, 2012*

Net Change in Fund Balances - Total Governmental Fund (\$2,720,396)

*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 allocated 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:

| | |
|---------------------------|-------------|
| Capital Outlays | 13,475,876 |
| Capital Contributions | 14,890,200 |
| Current Year Depreciation | (8,096,751) |

Total 20,269,325

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a loss is reported for each disposal.

(133,369)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund.

| | |
|---------------------------|-------------|
| Intergovernmental | (3,535,327) |
| Delinquent Property Taxes | (7,287,796) |

Total (10,823,123)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund.

| | |
|------------------------------------|----------|
| Compensated Absences | (81,363) |
| Retrospective Workers Compensation | 185,186 |

Total 103,823

Change in Net Position \$6,696,260

See accompanying notes to the basic financial statements

Cleveland Metroparks
*Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012*

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|--------------|--------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Property Taxes | \$43,567,819 | \$45,467,226 | \$45,221,267 | (\$245,959) |
| Intergovernmental | 10,615,657 | 10,615,657 | 10,526,996 | (88,661) |
| Donations and Sponsors | 3,807,243 | 3,781,318 | 1,903,730 | (1,877,588) |
| Interest | 65,317 | 65,024 | 48,082 | (16,942) |
| Golf Receipts | 6,127,495 | 6,100,005 | 6,264,814 | 164,809 |
| Zoo Receipts | 8,341,353 | 8,303,931 | 8,128,887 | (175,044) |
| Park Receipts | 1,594,359 | 1,587,206 | 1,484,567 | (102,639) |
| Damages and Fines | 97,696 | 97,258 | 79,450 | (17,808) |
| Other | 399,131 | 397,340 | 518,619 | 121,279 |
| <i>Total Revenues</i> | 74,616,070 | 76,414,965 | 74,176,412 | (2,238,553) |
| Expenditures | | | | |
| Current: | | | | |
| Park Operations | 19,283,350 | 19,493,883 | 18,403,843 | 1,090,040 |
| Zoo Operations | 20,796,554 | 20,741,148 | 19,266,402 | 1,474,746 |
| Golf Course | 6,346,159 | 6,593,498 | 6,066,594 | 526,904 |
| Ranger Department | 7,615,570 | 7,686,490 | 7,359,143 | 327,347 |
| Administration | 13,472,909 | 13,090,070 | 12,752,535 | 337,535 |
| Capital Outlay | 20,063,349 | 21,734,864 | 17,332,482 | 4,402,382 |
| <i>Total Expenditures</i> | 87,577,891 | 89,339,953 | 81,180,999 | 8,158,954 |
| <i>Net Change in Fund Balance</i> | (12,961,821) | (12,924,988) | (7,004,587) | 5,920,401 |
| <i>Fund Balance Beginning of Year</i> | 12,994,016 | 12,994,016 | 12,994,016 | 0 |
| Prior Year Encumbrances Appropriated | 4,180,723 | 4,180,723 | 4,180,723 | 0 |
| <i>Fund Balance End of Year</i> | \$4,212,918 | \$4,249,751 | \$10,170,152 | \$5,920,401 |

See accompanying notes to the basic financial statements

Cleveland Metroparks
Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2012

Assets

| | |
|---------------------------|------------------------|
| Cash and Cash Equivalents | <u><u>\$70,636</u></u> |
|---------------------------|------------------------|

Liabilities

| | |
|---------------------------------|------------------------|
| Deposits Held and Due to Others | <u><u>\$70,636</u></u> |
|---------------------------------|------------------------|

See accompanying notes to the basic financial statements

Cleveland Metroparks
Notes To The Basic Financial Statements
For The Year Ended December 31, 2012

Note 1 - Reporting Entity and Basis of Presentation

Cleveland Metroparks (the Metroparks) is a body politic established on July 23, 1917, by the Cuyahoga County Probate Court, under the authority of Section 1545.01, Ohio Revised Code.

The Metroparks' governing body is a three member Board of Park Commissioners (the Commissioners), who are appointed to three year terms by the Cuyahoga County Probate Court. The Metroparks is classified as a related organization of Cuyahoga County.

The Metroparks is dedicated to the conservation of natural resources and wildlife, while providing various recreational facilities and services which are to be enjoyed by the public. These activities are directly controlled by the Commissioners through the budgetary process and are included within this report.

In evaluating how to define the Metroparks for financial reporting purposes, management has considered all agencies, departments and organizations making up the Metroparks and its potential component units consistent with Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity."

Component units are legally separate organizations for which the Metroparks is financially accountable. The Metroparks is financially accountable for an organization if the Metroparks appoints a voting majority of the organization's governing board and (1) the Metroparks is able to significantly influence the programs or services performed or provided by the organization; or (2) the Metroparks is legally entitled to or can otherwise access the organization's resources; the Metroparks is legally obligated or has otherwise assumed the responsibility to finance deficits of or provide financial support to the organization or the Metroparks is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Metroparks in that the Metroparks approves the budget, the issuance of debt, or the levying of taxes.

Discretely Presented Component Unit The component unit column in the entity-wide financial statements identifies the financial data of the Metroparks' component unit, Cleveland Zoological Society, which is reported separately to emphasize that it is legally separate from the Metroparks.

Cleveland Zoological Society Cleveland Zoological Society (the Zoo Society) is a nonprofit organization which operates under a Board of Trustees. The Zoo Society promotes the conservation and propagation of wildlife – particularly endangered species – primarily through the support of the Metroparks. The Zoo Society will engage the community in support of the Cleveland Zoo (the Zoo) and in its mission to improve the future for wildlife and will marshal the resources necessary to ensure that the Zoo remains one of the region's preeminent destinations and ultimately one of the top five zoos in the country. Since the economic resources received by the Zoo Society are primarily for the benefit of and are generally accessible to the Metroparks, the Zoo Society is presented as a component unit of the Metroparks. Cleveland Zoological Society is included as a component unit of the Metroparks due to the Metroparks influence on the programs and services provided by Cleveland Zoological Society and due to the operating agreement between the Metroparks and Cleveland Zoological Society (Note 17). The Metroparks does not appoint any of the members of Cleveland Zoological Society's governing board or approve the budget or debt issuance of Cleveland Zoological Society. Financial statements can be obtained from Cleveland Zoological Society, 3900 Wildlife Way, Cleveland, Ohio 44109.

The Zoo Society uses a non-governmental GAAP reporting model; therefore the Zoo Society's statement of financial position and statement of activities are reported on a separate page following the primary government's statement of net position and statement of activities.

Cleveland Metroparks
Notes To The Basic Financial Statements
For The Year Ended December 31, 2012

Information in the following notes to the basic financial statements is applicable to the primary government. Information relative to the component unit for the year ended December 31, 2012 is presented in Note 17.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the Metroparks have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Metroparks' accounting policies are described below.

Basis of Presentation

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

Government-Wide Financial Statements The statement of net position and the statement of activities display information about the Metroparks as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements usually distinguish between those activities of the Metroparks that are governmental and those that are considered business-type. The Metroparks, however, does not have business-type activities.

The statement of net position presents the financial condition of the governmental activities of the Metroparks at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Metroparks' governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. 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 or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Metroparks, 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 revenues of the Metroparks.

Fund Financial Statements During the year, the Metroparks segregates transactions related to certain 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 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. Fiduciary funds are reported by type.

Fund Accounting

The Metroparks 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 Metroparks reports two categories of funds: governmental and fiduciary.

Governmental Funds Governmental funds are those through which most governmental functions are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for

Cleveland Metroparks
Notes To The Basic Financial Statements
For The Year Ended December 31, 2012

which they may or must be used. Current liabilities and deferred inflows of resources are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources, and liabilities and deferred inflows of resources is reported as fund balances. The following is the Metroparks' only governmental fund:

General Fund The general fund accounts for and reports all financial resources of the Metroparks. The general fund balance is available to the Metroparks for any purpose provided it is expended or transferred according to the general laws of Ohio.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the Metroparks under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the Metroparks' own programs. The Metroparks has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Metroparks' agency fund accounts for deposits held an employee flexible benefit plan.

Measurement Focus

Government-Wide Financial Statements The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the Metroparks are included on the Statement of Net Position. The Statement of Activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fund Financial Statements The general fund is 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 balance reports on the sources (i.e., revenues 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 the general fund.

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 and the statement prepared for fiduciary funds are prepared using the accrual basis of accounting. The general fund uses the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, in the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange 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 year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Metroparks, available means expected to be received within sixty days of year-end.

Cleveland Metroparks
Notes To The Basic Financial Statements
For The Year Ended December 31, 2012

Nonexchange transactions, in which the Metroparks receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the 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 Metroparks must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Metroparks on a reimbursement basis. On the modified accrual basis, revenue from nonexchange 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: state-levied locally shared taxes, damages and fines, interest, grants and rentals.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Metroparks, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2012, but which were levied to finance year 2013 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the Metroparks, unavailable revenue includes delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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 governmental funds.

Cash and Cash Equivalents

During 2012, the Metroparks' investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the state to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's net asset value per share which is the price the investment could be sold at December 31, 2012.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund amounted to \$47,154 during 2012.

Cleveland Metroparks
Notes To The Basic Financial Statements
For The Year Ended December 31, 2012

Investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents.

The Metroparks has segregated bank accounts for monies held separately from the Metroparks' central bank account. Cash and cash equivalents that are held separately by the Metroparks for payment of retainage to contractors upon project completion are recorded as "Cash and Cash Equivalents with Fiscal Agents".

The City has segregated bank accounts for monies held separate from the Metroparks' central bank account. These depository accounts are presented as "Cash and Cash Equivalents in Segregated Accounts" since they are not required to be deposited into the Metropark's treasury.

Materials and Supplies Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of materials and supplies held for consumption.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current year, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which the services are consumed.

Capital Assets

The Metroparks' only capital assets are general capital assets. General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the general fund. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the financial statements of the general fund.

All capital assets, except for the Metroparks' collection of zoo animals, are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The Metroparks was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The Metroparks capitalizes all land, construction in progress and infrastructure. The capitalization thresholds for the Metroparks' other capital assets are as follows:

| | |
|-------------------------|--------|
| Buildings | 50,000 |
| Machinery and Equipment | 1,000 |
| Vehicles | 1,000 |
| Exhibits | 50,000 |

Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the Metroparks' historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

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| Description | Governmental Activities Estimated Lives |
|-------------------------|---|
| Site Structures | 20 years |
| Buildings | 40 years |
| Machinery and Equipment | 5 - 10 years |
| Vehicles | 7 years |
| Infrastructure | 20 - 40 years |
| Exhibits | 40 years |

The Metroparks reports infrastructure consisting of bridges, fords, dams, roads, all purpose trails, golf course cart paths, tunnels and other paved areas and infrastructure that was acquired prior to December 31, 1980.

The Metroparks' collection of zoo animals meets the definition of a capital asset and normally should be reported in the financial statements. GASB Statement No. 34 does not require capitalization of collections that meet all of the following criteria: 1) the collection is held for reasons other than financial gain, 2) the collection is protected, kept unencumbered, cared for, and preserved, and 3) the collection is subject to an organizational policy requiring that the proceeds from sales of collection items be used to acquire other items for the collections. Because the Metroparks' collection of zoo animals meets the above requirements, the Metroparks has not capitalized them.

Accrued Liabilities and Long-Term Obligations

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

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 obligations of the fund. However, claims and judgments and compensated absences are reported as a liability in the fund financial statements only to the extent payments come due each period upon the occurrence of employee resignations and retirements.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The Metroparks records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is an estimate based upon the Metroparks' past experience of making termination payments.

Fund Balance

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

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Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Commissioners. Those committed amounts cannot be used for any other purpose unless the Commissioners remove or change the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification are intended to be used by the Metroparks for specific purposes but do not meet the criteria to be classified as restricted or committed. In the general fund, assigned amounts represent intended uses established by the Commissioners by ordinance or by State Statute. State statute authorizes the Chief Financial Officer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications.

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

Net Position

Net Position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets.

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 these estimates.

Budgetary Process

The general fund is legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resource and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or

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increased tax rates. The certificate of estimated resources establishes a limit on the amount the Commissioners may appropriate. The appropriations resolution is the Commissioners' authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Commissioners. The legal level of control has been established by the Commissioners at the object level. Any budgetary modifications at this level may only be made by resolution of the Commissioners.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Chief Financial Officer. 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 certificate of estimated resources in effect at the time the final appropriations were passed.

The appropriation 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 Commissioners during the year.

Note 3 – Changes in Accounting Principles

For 2012, the Metroparks has implemented Governmental Accounting Standard Board (GASB) Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements, Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements", Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position," Statement No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions – an amendment of GASB Statement No. 53", Statement No. 65, "Items Previously Reported as Assets and Liabilities" and Statement No. 66, "Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62."

GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements, which are a type of public-private or public-public partnership. The implementation of this statement did not result in any change in the Metroparks' financial statements.

GASB Statement No. 62 incorporates into GASB's authoritative literature certain FASB and AICPA pronouncements issued on or before November 30, 1989. The implementation of this statement did not result in any change in the Metroparks' financial statements.

GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related note disclosures. These changes were incorporated in the Metroparks' year 2012 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of this statement did not result in any change in the Metroparks' financial statements.

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GASB Statement No. 65 properly classifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues). These changes were incorporated in the Metroparks' year 2012 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. The implementation of this statement did not result in any change in the City's financial statements.

Note 4 - Fund Balance

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Metroparks is bound to observe constraints imposed upon the use of the resources in the government fund. The constraints placed on fund balance for the general fund is presented below:

| Fund Balance | 2012 |
|----------------------------------|--------------|
| <i>Nonspendable</i> | |
| Inventory | \$1,529,557 |
| Prepays | 226,711 |
| Total Nonspendable | 1,756,268 |
| <i>Committed to</i> | |
| Capital Improvements | 811,219 |
| <i>Assigned to</i> | |
| Purchases on Order | 1,607,514 |
| <i>Unassigned</i> | 7,646,792 |
| <i>Total Fund Balance</i> | \$11,821,793 |

Note 5 - Budgetary Basis of Accounting

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

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 committed or assigned fund balance (GAAP).

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4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement for the general fund for the year ending December 31, 2012.

| | 2012 |
|---|---------------|
| GAAP Basis | (\$2,720,396) |
| Net Adjustment for Revenue Accruals | (86,057) |
| Beginning Unrecorded Cash | 9,685 |
| Ending Unrecorded Cash | (43,956) |
| Net Adjustment for Expenditure Accruals | (487,504) |
| Encumbrances | (3,676,359) |
| Budget Basis | (\$7,004,587) |

Note 6 - Deposits and Investments

Monies held by the Metroparks are classified by State statute into three categories.

Active deposits are public deposits determined to be necessary to meet current demands upon the Metroparks treasury. Active monies must be maintained either as cash in the Metroparks treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board of Park Commissioners has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Protection of the Metroparks' deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies held by the Metroparks can be deposited or invested in the following securities:

1. United States Treasury Bonds, Notes, Bills or other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal

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Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No load market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio); and
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Metroparks, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

Custodial Credit Risk Custodial credit risk for deposits is the risk that in the event of bank failure, the Metroparks will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2012, none of the Metroparks' bank balance of \$10,230,817 was uncollateralized and uninsured. Although the securities were held by the pledging financial institutions' trust departments and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the Metroparks to a successful claim by the FDIC.

The Metroparks has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Metroparks or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

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Investments

At December 31, 2012, the Metroparks had \$5,023,340 invested in STAR Ohio with an average maturity of 55.4 days.

Interest Rate Risk As a means of limiting its exposure to fair value losses caused by rising interest rates, the Metroparks' investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the Metroparks' investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity. For 2012, no investments have been purchased with a life greater than five years.

Credit Risk STAR Ohio carries a rating of AAAM by Standards and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The Metroparks has no investment policy that addresses credit risk.

Concentration of Credit Risk Concentration of credit risk is defined as the risk of loss attributed to the magnitude of the Metroparks' investments in a single issuer. The Metroparks' investment policy requires diversification of the portfolio, but only states that the Treasurer shall diversify use of investment instruments to avoid incurring unreasonable risks inherent in overinvesting in specific instruments, individual institutions or maturities.

Note 7 - Receivables

Receivables at December 31, 2012 consisted of property taxes, amounts due from the component unit, accounts (billings for user charged services), accrued interest and intergovernmental receivables. All receivables, except property taxes, are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. The principal items of intergovernmental receivables are homestead and rollback, local government, grants and entitlements.

Property Taxes

Property taxes include amounts levied against all real and public utility property located in Cuyahoga County and Metroparks 16 and 17 in Medina County. Property tax revenue received during 2012 for real and public utility property taxes represents collections of the 2011 taxes.

2012 real property taxes are levied after October 1, 2012, on the assessed value as of January 1, 2012, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2012 real property taxes are collected in and intended to finance 2013.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2012 public utility property taxes which became a lien December 31, 2011, are levied after October 1, 2012, and are collected in 2013 with real property taxes.

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The full tax rate for all Metroparks operations for the years ended December 31, 2012 was \$1.85 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2012 property tax receipts were based are as follows:

| | Cuyahoga County | Medina County |
|--------------------------------------|--------------------|------------------|
| Real Property | | |
| Residential/Agricultural | \$20,303,526,670 | \$277,535,190 |
| Commercial Industrial/Public Utility | 8,795,069,360 | 15,767,900 |
| Public Utility Property | 698,069,260 | 4,518,490 |
| Total Assessed Value | \$29,796,665,290 | \$297,821,580 |

The Cuyahoga County Fiscal Officer collects property taxes on behalf of all taxing Metroparks in the County, including the Cleveland Metroparks and Hinckley Township. The Cuyahoga County Fiscal Officer periodically remits to the Metroparks its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which are measurable as of December 31, 2012 and for which there is an enforceable legal claim. In the general fund, the portion of the receivable not levied to finance 2012 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collective delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Note 8 - Risk Management

The Metroparks 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.

During 2012, the Metroparks contracted with several companies for various types of insurance as follows:

| Company | Type | 2012 Coverage |
|--------------------------|---------------------------------|------------------|
| Houston Casualty Company | Flood | \$5,000,000 |
| | Earthquake | 5,000,000 |
| | Employment Practices | 2,000,000 |
| | General Liability | 1,000,000 |
| | Liquor Liability | 1,000,000 |
| | Property | 254,788,075 |
| | Automobile Liability | 1,000,000 |
| | Inland Marine | 13,359,938 |
| | Public Official/Law Enforcement | 2,000,000 |
| | Data Processing Equipment | 1,740,814 |
| | Commercial Crime | 250,000 |
| | Excess Liability | 10,000,000 |
| Travelers | Boiler and Machinery | 40,000,000 |
| Western Surety | Treasurer Bond | 5,000,000 |

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There has not been a significant reduction in commercial coverage from the prior year and settled claims have not exceeded coverage in any of the last five years.

Effective January 1, 2007, the Metroparks established a self-insured program in the general fund to provide employees' medical, hospitalization and prescription drug coverage under the Preferred Provider Organization (PPO) plan option, in accordance with Section 9.833 of the Ohio Revised Code.

The employee deductible and out-of-pocket maximum are:

| | <u>Deductible</u> | <u>Out-of-Pocket Maximum</u> |
|--------|-------------------|----------------------------------|
| Single | \$200 to \$400 | \$1,000 to \$2,000 |
| Family | \$400 to \$800 | \$2,000 to \$4,000 |

A third party administrator, Medical Mutual of Ohio, reviewed all claims which were then paid by the Metroparks. The Metroparks purchased stop-loss coverage of \$100,000 per employee per year and aggregate stop loss should total claims exceed projected claims of \$3,606,767 by 125 percent. The Metroparks pays coverage into the self-insurance program for employees of \$425 single and \$1,000 family per employee per month. Incurred but not reported claims of \$393,000 have been accrued as a liability based on an actuarial valuation of health care benefits liability as of December 31, 2012. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claims adjustment expenses. Changes in the claims liability amounts for 2011 and 2012 were:

| | <u>Beginning of Year</u> | <u>Current Year Claims</u> | <u>Claim Payments</u> | <u>Balance at End of Year</u> |
|------|------------------------------|--------------------------------|---------------------------|-----------------------------------|
| 2011 | \$277,000 | \$265,369 | \$187,369 | \$355,000 |
| 2012 | 355,000 | 63,363 | 25,363 | 393,000 |

The Metroparks participates in the State Workers' Compensation retrospective rating and payment system. This plan involves the payment of a minimum premium for administrative services and stop-loss coverage plus the actual claim costs for employees injured in 2012. The maintenance of these benefits is accounted for in the general fund. Incurred but not reported claims of \$863,098 have been accrued as a liability at December 31, 2012 based on an estimate by the Metroparks.

The claims liability of \$863,098 reported at December 31, 2012, is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claims adjustment expenses. Changes in the workers' compensation claims liability amounts for 2011 and 2012 were:

| | <u>Beginning of Year</u> | <u>Current Year Claims</u> | <u>Claim Payments</u> | <u>Change in Estimate</u> | <u>Balance at End of Year</u> |
|------|------------------------------|--------------------------------|---------------------------|-------------------------------|-----------------------------------|
| 2011 | \$860,914 | \$376,509 | \$626,344 | \$437,205 | \$1,048,284 |
| 2012 | 1,048,284 | 116,402 | 787,877 | 486,289 | 863,098 |

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Note 9 - Capital Assets

A summary of changes in capital assets during 2012 follows:

| | Balance 12/31/2011 | Additions | Deletions | Balance 12/31/2012 |
|--|-----------------------|---------------------|--------------------|-----------------------|
| Governmental Activities | | | | |
| Capital Assets, Not Being Depreciated | | | | |
| Land | \$64,321,564 | \$7,524,022 | \$0 | \$71,845,586 |
| Land Improvements | 6,638,111 | 181,000 | 0 | 6,819,111 |
| Construction in Progress | 7,496,333 | 8,216,269 | (141,786) | 15,570,816 |
| <i>Total Capital Assets, Not Being Depreciated</i> | <u>78,456,008</u> | <u>15,921,291</u> | <u>(141,786)</u> | <u>94,235,513</u> |
| Capital Assets, Being Depreciated | | | | |
| Site Structures | 2,720,460 | 153,174 | 0 | 2,873,634 |
| Exhibits | 8,305,405 | 0 | 0 | 8,305,405 |
| Buildings | 128,272,763 | 9,797,701 | 0 | 138,070,464 |
| Machinery and Equipment | 18,115,251 | 617,741 | (471,782) | 18,261,210 |
| Vehicles | 9,951,171 | 419,574 | (409,406) | 9,961,339 |
| Infrastructure: | | | | |
| Bridges | 36,789,959 | 0 | 0 | 36,789,959 |
| Fords | 2,514,510 | 0 | 0 | 2,514,510 |
| Dams | 156,375 | 0 | 0 | 156,375 |
| Tunnels | 837,629 | 0 | 0 | 837,629 |
| Utilities | 0 | 238,346 | 0 | 238,346 |
| Roads | 20,206,433 | 454,824 | (112,171) | 20,549,086 |
| All Purpose Trails | 15,451,482 | 698,582 | (56,020) | 16,094,044 |
| Golf Course Cart Paths | 949,252 | 206,629 | (132,666) | 1,023,215 |
| Other Paved Areas | 5,781,105 | 0 | 0 | 5,781,105 |
| <i>Total Capital Assets, Being Depreciated</i> | <u>250,051,795</u> | <u>12,586,571</u> | <u>(1,182,045)</u> | <u>261,456,321</u> |
| Less Accumulated Depreciation: | | | | |
| Site Structures | (1,301,881) | (125,019) | 0 | (1,426,900) |
| Exhibits | (976,203) | (191,266) | 0 | (1,167,469) |
| Buildings | (37,718,230) | (3,146,167) | 0 | (40,864,397) |
| Machinery and Equipment | (12,570,794) | (1,011,047) | 361,746 | (13,220,095) |
| Vehicles | (7,506,681) | (598,831) | 386,073 | (7,719,439) |
| Infrastructure: | | | | |
| Bridges | (13,296,616) | (834,940) | 0 | (14,131,556) |
| Fords | (834,670) | (62,511) | 0 | (897,181) |
| Dams | (93,318) | (1,659) | 0 | (94,977) |
| Tunnels | (65,532) | (20,941) | 0 | (86,473) |
| Roads | (6,123,484) | (1,004,713) | 112,171 | (7,016,026) |
| All Purpose Trails | (7,671,508) | (769,773) | 56,020 | (8,385,261) |
| Golf Course Cart Paths | (493,159) | (40,829) | 132,666 | (401,322) |
| Other Paved Areas | (1,809,520) | (289,055) | 0 | (2,098,575) |
| <i>Total Accumulated Depreciation</i> | <u>(90,461,596)</u> | <u>(8,096,751)</u> | <u>1,048,676</u> | <u>(97,509,671)</u> |
| <i>Total Capital Assets Being Depreciated, Net</i> | <u>159,590,199</u> | <u>4,489,820</u> | <u>(133,369)</u> | <u>163,946,650</u> |
| <i>Governmental Activities Capital Assets, Net</i> | <u>\$238,046,207</u> | <u>\$20,411,111</u> | <u>(\$275,155)</u> | <u>\$258,182,163</u> |

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Depreciation expense for 2012 was charged to governmental functions as follows:

| | 2012 |
|-----------------|-------------|
| Park Operations | \$4,334,722 |
| Zoo Operations | 2,874,366 |
| Golf Course | 262,300 |
| Rangers | 393,690 |
| Administration | 231,673 |
| Total | \$8,096,751 |

During 2012, the Metroparks received \$5,735,570 in land donations for the Acacia and Bradley Woods Reservations, \$9,132,630 in building donations for Rivergate and Acacia Reservations and \$22,000 in machine donations for various golf courses. The Metroparks has recorded these as capital contributions.

Note 10 - Long Term Obligations

Changes in the long-term obligations of the Metroparks during 2012 were as follows:

| | Outstanding January 1 | Additions | (Reductions) | Outstanding December 31 | Amount Due in One Year |
|--------------------------------------|--------------------------|-----------|--------------|----------------------------|---------------------------|
| Compensated Absences | \$5,624,799 | \$476,109 | (394,746) | \$5,706,162 | \$1,751,665 |
| Retrospective Workers ' Compensation | 1,048,284 | 116,402 | (301,588) | 863,098 | 25,363 |
| Total | \$6,673,083 | \$592,511 | (\$696,334) | \$6,569,260 | \$1,777,028 |

Compensated absences and the retrospective workers' compensation will be paid from the general fund.

Note 11 - Defined Benefit Pension Plan

Plan Description – The Metroparks participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan 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 the member and vested employer contributions plus any investment earnings. The Combined Plan is 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, but less than, 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. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

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Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law enforcement and public safety employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll for members in State and local divisions and 12 percent for law enforcement and public safety members. For the year ended December 31, 2012, members in state and local divisions contributed 10 percent of covered payroll while public safety and law enforcement members contributed 11.5 percent and 12.1 percent, respectively. Effective January 1, 2013, the member contribution rates for public safety and law enforcement increased to 12 percent and 12.6 percent, respectively. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. For 2012, member and employer contribution rates were consistent across all three plans.

The Metroparks' 2012 contribution rate was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the Metroparks's contribution was 18.10 percent of covered payroll. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 4.00 percent for 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2012. Employer contribution rates are actuarially determined.

The Metroparks' required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2012, 2011, and 2010 were \$3,326,324, \$3,031,626, and \$3,031,192, respectively. For 2012, 95.32 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010. Contributions to the Member-Directed Plan for 2012 were \$160,206 made by the Metroparks and \$114,433 made by plan members.

Note 12 - Postemployment Benefits

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

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Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2012, state and local employers contributed at a rate of 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 18.10 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code.

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 for members in the Traditional Plan was 4.0 percent for 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2012. Effective January 1, 2013, the portion of employer contributions allocated to healthcare was lowered to 1 percent for both plans, as recommended by the OPERS Actuary.

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. Active members do not make contributions to the post-employment health care plan.

The Metroparks’ contributions allocated to fund post-employment health care benefits for the years ended December 31, 2012, 2011, and 2010 were \$1,394,612, \$1,272,429, and \$1,798,661, respectively. For 2012, 95.32 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

Note 13 – Other Benefits

Compensated Absences

The criteria for determining vacation and sick leave liabilities are derived from negotiated agreements and personal contracts. Employees earn vacation and sick leave at different rates which are also affected by length of service. Vacation can be accumulated for up to three years. Sick leave accrual is continuous, without limit.

Upon retirement, termination, or death, employees with ten or more years of service with the Metroparks will be paid for one fourth of their accumulated hours of sick leave. Upon retirement, termination, or death, an employee will be paid for unused vacation up to the three year limit.

Holiday time may be accumulated for rangers indefinitely and compensatory time earned must be taken by the end of the subsequent calendar year.

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Health, Dental, Vision and Life Insurance

For those employees who opt not to take part in the self-insurance PPO health insurance program, an option to select an HMO from Kaiser Permanente is provided and premiums are paid by the Metroparks, up to \$1,000 for family and \$425 for single. The Metroparks provides dental and vision through Aetna Dental and Union Eye Care. It also provides life insurance and accidental death and dismemberment insurance to its employees through SunLife Insurance.

Flexible Benefit Plan

Section 125 of the Internal Revenue Service (IRS) code permits the Flexible Benefit Plan, as established by the Metroparks. The Flexible Benefit Plan (FBP) allows employees to defer pay on a pre-tax basis to pay premium contribution(s) and Flexible Spending Accounts (FSA) reimbursements for qualified medical (up to \$3,120) and /or dependent care (up to \$5,000) expenses. The FSA accounts allow employees to pay for qualified out-of-pocket medical and dependent care expenses with pre-tax income. Amounts deposited into either of the FSA accounts may be used at the employee's discretion for qualified expenses incurred during the plan year (January 1 through March 15 of the following year). Amounts put into the FSA accounts are deducted before Federal, State and Medicare taxes are withheld. A provision of the code provides that any funds left in the FSA declaration at the end of the plan year are forfeited (use it or lose it). \$70,636 has been reported as a liability in the agency fund at December 31, 2012.

Note 14 - Contingencies

The Metroparks is a party to legal proceedings seeking damages. The Metroparks management is of the opinion that the ultimate disposition of a majority of the claims and legal proceedings will not have a material effect, if any, on the financial condition of the Metroparks.

Note 15 – Significant Commitments

Contractual Commitments

At December 31, 2012, the Metroparks' significant contractual commitments in excess of \$50,000 consisted of:

| | Contract Amount | Amount Paid | Remaining on Contract |
|--------------------------------|---------------------|---------------------|--------------------------|
| Fechko Excavating | \$5,484,120 | \$4,928,518 | \$555,602 |
| Seitz Builders | 5,021,703 | 5,001,646 | 20,057 |
| CLR Design | 2,703,748 | 2,697,715 | 6,033 |
| Floyd Browne Group | 1,916,616 | 1,800,971 | 115,645 |
| Taylor Studios Inc | 800,000 | 696,245 | 103,755 |
| Vancuren Services Incorporated | 200,382 | 174,882 | 25,500 |
| North Acres Development | 136,000 | 135,940 | 60 |
| Huffman Equipment Rental | 103,393 | 92,893 | 10,500 |
| New Creation Builders | 101,400 | 0 | 101,400 |
| Nature Serve | 61,424 | 26,994 | 34,430 |
| Business Communications | 54,991 | 0 | 54,991 |
| Total | \$16,583,777 | \$15,555,804 | \$1,027,973 |

The amounts of \$330,015 and \$455,927 in contracts and retainage payable have been capitalized.

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Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were \$3,676,359.

Note 16 – Subsequent Event

On June 6, 2013, Cleveland Metroparks entered into an agreement with the City of Cleveland and the State of Ohio that transfers management of six lakefront parks to the Metroparks. The agreement, transfers management of Edgewater Park, East 55th Street Marina, Gordon Park, Euclid Beach Park, Villa Angela Park and Wildwood Park to the Metroparks.

To facilitate the transfer, the State of Ohio agreed to terminate the lease it had with the City of Cleveland to manage the parks. The agreement included \$14 million from the State's transportation and public safety budget to pay for lakefront park improvements. Cleveland City Council then voted unanimously to transfer management of the parks to Cleveland Metroparks in a new lease agreement.

The final agreement gives the Metroparks 14 miles of lakefront property, and three years to spend the \$14 million in State funds on park improvements.

Note 17 – Cleveland Zoological Society (Zoo Society)

Summary of Significant Accounting Policies

Nature of Activities The Cleveland Zoological Society (the “Zoo Society”) is a nonprofit organization established to promote the conservation and propagation of wildlife – particularly endangered species – primarily through the support of Cleveland Metroparks Zoo (the “Zoo”) which is owned and operated by Cleveland Metropolitan Park Metroparks (the “Metroparks”). The Zoo Society will engage the community in support of the Zoo and in its mission “to improve the future for wildlife” and will marshal the resources necessary to ensure that the Zoo remains one of the region’s preeminent destinations and ultimately one of the top five zoos in the country.

The Zoo Society is governed by a Board of Trustees and is a separate and distinct entity from the Cleveland Metropolitan Park District. The Zoo Society’s activities are primarily in support of the District’s Zoo, subject to approval by the Zoo Society’s board.

Basis of Presentation The Zoo Society follows authoritative guidance issued by the Financial Accounting Standards Board (“FASB”) which established the FASB Accounting Standards Codification (“ASC”) as the single source of authoritative accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared on the accrual basis of accounting. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets on of the Zoo Society and changes therein are classified and reported as follows:

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Unrestricted Net Assets – Net assets that are not subject to donor-imposed restrictions. These include both board-designated and undesignated net assets.

Unrestricted Net Assets (Undesignated) – Consists of net assets that are not subject to donor-imposed restrictions nor have been designated for a specific purpose by the Zoo Society’s Board of Trustees. The purpose of undesignated unrestricted net assets is to provide support for the daily operations and the mission of the Zoo Society.

Unrestricted Net Assets (Board-Designated) – Consists of net assets that can be used only for the specific purposes determined by a formal action of the Zoo Society’s Board of Trustees, which is the Zoo Society’s highest level of decision-making authority. Commitments may be changed or lifted only by the Zoo Society’s Board of Trustees taking the same formal action that imposed the constraint originally. The purpose of board-designated net assets is to provide funding to ensure the continuous operation of the Zoo Society (the Sustaining Fund); to support projects related to science, conservation, and education; and to support initiatives to improve the future for wildlife (the ZooFutures Fund).

Temporarily Restricted Net Assets – Net assets subject to donor-imposed restrictions that may or will be met, either by actions of the Zoo Society and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as “net assets released from restrictions.” If donor-imposed restrictions are met in the same year as they are imposed, the related contributions, grants, and/or investment income are reported as temporarily restricted revenue with an offset contra-revenue account to properly classify as unrestricted revenue.

Permanently Restricted Net Assets – Net assets subject to donor-imposed restrictions that they be maintained by the Zoo Society in perpetuity.

Functional Allocation of Expenses The costs of providing various programs and related supporting services have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated to the appropriate programs and supporting services.

Use of Estimates The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents For purposes of the statements of cash flows, the Zoo Society considers unrestricted or short-term temporarily restricted, highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Board-designated cash and cash equivalents are not considered cash and cash equivalents for purposes of the statements of cash flows. Applicable amounts have been classified as investments on the statements of financial position.

Cash receipts from the sale of financial assets that are converted nearly immediately into cash are classified as cash inflows from operating activities on the statement of cash flows, unless the donor restricted the use of contributed resources to long-term purposes, in which case those cash receipts are classified as cash inflows from financing activities.

Contributions and Pledges Receivable Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

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Unconditional pledges receivable are recognized as revenues in the period the promise is received. Conditional pledges receivable are recognized when the conditions on which they depend are substantially met. The pledges are stated at their estimated realizable value. Pledges that are to be received over a period of years are discounted to their present value assuming their respective payment terms and an appropriate discount rate as of the date the pledge is received. The discount is amortized into contribution revenue over the term of the respective pledge agreement.

The Zoo Society and the Zoo are financially interrelated entities, as described in Statement of Financial Accounting Standards, No. 136, *Transfers of Assets to a Not-for-Profit Organization of Charitable Trust that Raises or Holds Contributions for Others*, therefore, contributions raised by the Zoo Society on behalf of the Zoo are reported as temporarily restricted contribution revenues and amounts to be remitted to the Zoo are recorded as expense under the caption of "Cleveland Metropolitan Park Metroparks" in the accompanying statements of activities.

Investments Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in investment income in the statements of activities.

Office Equipment, Software, and Network Resources Office equipment, software, and network resources are depreciated utilizing the straight-line method over their estimated useful lives ranging from three to ten years. The Zoo Society capitalizes purchases or donations of capital assets that exceed \$500. Purchased office equipment, software, and network resources are stated at cost.

Donations of capital assets are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire office equipment, software, and network resources are reported as restricted support.

Split-Interest Agreements The Zoo Society receives gift annuities where donors contribute assets in exchange for the right to receive an annual return during their lifetimes. Upon receipt of a gift annuity, the Zoo Society records the fair value of the assets received and records a liability for the estimated present value of future cash outflows to the annuitant, determined on an actuarial basis, as a "liability under split-interest agreements" in the accompanying statements of financial position. The difference between the fair value of the assets received and the estimated liability is recorded as unrestricted, temporarily restricted, or permanently restricted contribution revenue in accordance with the donor's intent in the accompanying statements of activities.

The Zoo Society holds beneficial interests in perpetual trusts. The Zoo Society records its share of the fair market value of such trusts as long-term assets and permanently restricted contribution revenue at the date it is notified of its interest in such trusts. As the Zoo Society receives distributions from these trusts, it records the distributions as interest income. The interest income is classified as either unrestricted or temporarily restricted in accordance with the terms of the trust agreement. Changes in the fair value of the Zoo Society's beneficial interest in perpetual trusts are recorded as permanently restricted gains/losses in the accompanying statements of activities under the caption "change in value of split-interest agreements."

In-Kind Contributions In-kind contributions are reflected as revenues at their estimated fair value at the date of donation. The Zoo Society reports gifts of media support, food for special events, and other non-monetary contributions as unrestricted revenue and expense in the accompanying statements of activities unless accompanied by explicit donor-imposed restrictions, in which case, the contributions would be recorded as either temporarily or permanently restricted revenues in accordance with the donor restrictions.

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Contributed Services The Zoo Society recognizes contributions of services received when those services (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by the donation.

Income Taxes The Zoo Society is tax-exempt, under Section 501(c)(3) of the Internal Revenue Code (the “IRC”) of 1986. No provision for federal income taxes has been reported in its financial statements. In addition, the Zoo Society has been classified as an organization that is not a “private foundation” within the meaning of Section 509(a) of the IRC.

In accordance with the “Income Taxes” topic of the FASB ASC, uncertain income tax positions are evaluated at least annually by management. As of December 31, 2012 and 2011, the Zoo Society has identified no uncertain income tax positions and has incurred no amounts for income tax penalties and interest for the years then ended.

The Zoo Society files information returns in the United States and local jurisdictions. With few exceptions, the Zoo Society is no longer subject to federal and local income tax examinations by tax authorities for the years ended before December 31, 2009.

Concentrations of Credit Risk Financial instruments which potentially subject the Zoo Society to concentrations of credit risk consist of cash and temporary investments, investment securities, and pledges receivable.

The Zoo Society has significant investments in equity and debt securities and is, therefore, subject to concentrations of credit risk. Investments are managed by investment advisors who are supervised by the Trustees. The investment advisors are required to manage the Zoo Society’s investments in accordance with its investment policy. The investment policy contains investment criteria that the Zoo Society believes should reduce, to an extent, the potential for significant concentrations of credit risk. Though the market value of investments is subject to fluctuations on a year-to-year basis, the Trustees believe that the investment policy is prudent for the long-term welfare of the Zoo Society.

Credit risk with respect to pledges receivable is limited due to the number and credit worthiness of the foundations, corporations, and individuals who comprise the contributor base.

Advertising Advertising costs are expensed when incurred and included in program and supporting expenses. Total advertising cost expensed was \$28,005 in 2012.

Subsequent Events In preparing these financial statements, the Zoo Society has evaluated events and transactions for potential recognition or disclosure through April 17, 2013, the date the financial statements were available to be issued.

Cash and Cash Equivalents

Cash and cash equivalents consisted of the following at December 31, 2012:

| | |
|---|--------------------|
| | <u>2012</u> |
| Unrestricted - available for operating expenses | \$894,042 |
| Donor restricted for short-term purposes | 915,845 |
| Board designated for short-term purposes | 2,422 |
| Funds held for others | 59,928 |
| Board designated for African Elephant Crossing | <u>133,000</u> |
| | <u>\$2,005,237</u> |

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Pledges Receivable

Pledges receivable, net of applicable discounts to net present value and allowance for uncollectible pledges receivable, are comprised of the following at December 31:

| | 2012 |
|---|-----------|
| Unrestricted - available for operating expenses | \$119,695 |
| Restricted for African Elephant Crossing | 446,262 |
| Other temporary restricted | 12,500 |
| | \$578,457 |

Pledges were discounted to their present value assuming their respective terms and discount rates ranging from 2.82% to 7.25% dependent upon prevailing rates in the year in which a pledge is received. The pledges receivable are scheduled to be collected as follows:

| | 2012 |
|---|-----------|
| Payable within one year | \$376,787 |
| Payable in two years | 100,000 |
| Payable in three years | 100,000 |
| Payable in four years | 100,000 |
| | 676,787 |
| Less discounts to net present value | (72,339) |
| Less allowance for uncollectible pledges receivable | (25,991) |
| Net pledges receivable | \$578,457 |

Sarah Allison Steffee Center for Zoological Medicine at the Zoo During 2004, an anonymous donor pledged an intent to grow a donor-advised fund up to \$1.5 million. The investment income from the fund will be used to create a world class international veterinary program for the Sarah Allison Steffee Center for Zoological Medicine at the Zoo. Donor-advised funds allow donors to suggest the purpose for which a gift will be used, but are not binding. As such, contribution revenue is recorded as the Zoo Society receives notification that a distribution has been approved by the fund.

African Elephant Crossing During 2005, The Zoo Society approved a conditional fundraising campaign in the amount of \$12.5 million to support one of the Zoo's major capital improvements, the African Elephant Crossing (the "AEC"), as well as non-capital initiatives related to the project (e.g., programming for education, conservation, and research; fundraising expenses incurred related to the campaign and related initiatives; and marketing sponsorships for dedicating and opening the new facility and raising awareness of the Zoo and the Zoo Society). The Zoo Society's commitment to the Zoo was contingent upon the ability to raise such funding from the proceeds of the capital campaign and on the Zoo approving the project. During 2008, the Zoo broke ground on the project.

During 2008, the Zoo Society received a conditional promise to give to the AEC campaign from the Ohio Cultural Facilities Commission (OCFC). The conditional promise came in the form of a capital funds appropriation in the amount of \$150,000. The promise is conditioned upon the AEC project becoming fully funded, open to the public and the execution of a joint use agreement with a higher education institution. As of December 31, 2012, the joint use agreement was not executed and accordingly, no amount related to this conditional promise has been recognized as revenue by the Zoo Society during the years ended December 31, 2012..

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During 2009, the Zoo Society received a challenge grant in the amount of \$725,000. The grant was conditioned upon the Zoo Society raising the remainder of AEC funds within the challenge period. The total amount of funds needed to be raised to meet this condition was \$1,479,223. The challenge period ran through April 30, 2011. All new funds raised during the challenge period count toward meeting the conditions of the challenge grant. The Zoo Society raised the appropriate amount of funds during 2011 and included the entire amount of this conditional grant on the 2011 statement of activities as capital campaign revenue.

Cleveland Metroparks Zoo's Conservation Medicine Program During 2008, the Zoo Society received a conditional promise to give (cost-reimbursement grant) from the Institute of Museum and Library Services for the Cleveland Metroparks Zoo's Conservation Medicine Program in the amount of \$142,666. For the years ended December 31, 2012, the Zoo Society had incurred costs of \$45,998 and recognized revenues of \$45,951 related to this conditional promise to give.

Marketable Securities

Included in marketable securities at December 31, 2012 was \$7,363,023 of board-designated net assets.

The following schedule summarizes investment return for the year ended December 31:

| | 2012 | | | |
|-----------------------------------|------------------|------------------------|------------------|-------|
| | Unrestricted | Temporarily Restricted | | Total |
| | | | | |
| Interest and dividends | \$195,518 | \$2,350 | \$197,868 | |
| Net realized and unrealized gains | 638,231 | 0 | 638,231 | |
| Total | \$833,749 | \$2,350 | \$836,099 | |

Fair Value Measurements

In accordance with the "Fair Value Measurements" topic of the FASB ASC, the Zoo Society uses a three-level fair value hierarchy that categorizes assets and liabilities measured at fair value based on the observability of the inputs utilized in the valuation. This hierarchy prioritizes the inputs into three broad levels as follows: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly; and Level 3 inputs are unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own valuation assumptions. These inputs reflect management's judgment about the assumptions that a market participant would use in pricing the asset and are based on the best available information, which has been internally developed.

Financial assets (liabilities) consisted of the following at December 31:

| | 2012 | | |
|--|--------------------|------------------|--------------------|
| | Level 1 | Level 2 | Total |
| Cash in money market and short-term deposits | \$33,151 | \$0 | \$33,151 |
| Certificates of deposit | 0 | 0 | 0 |
| Mutual funds - equities | 64,481 | 0 | 64,481 |
| Mutal funds - fixed income | 65,877 | 0 | 65,877 |
| Equity exchange traded funds | 4,383 | 0 | 4,383 |
| Total bond market index fund | 1,925,240 | 0 | 1,925,240 |
| Total international stock fund | 729,821 | 0 | 729,821 |
| Prime money market index fund | 632,872 | 0 | 632,872 |
| Total stock market index fund | 4,182,580 | 0 | 4,182,580 |
| Beneficial interest in perpetual trusts | 0 | 511,535 | 511,535 |
| | \$7,638,405 | \$511,535 | \$8,149,940 |

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The fair value of the beneficial interests in perpetual trusts is based upon the value of the underlying assets within the trusts multiplied by the Zoo Society's proportionate share of said trusts. As the underlying assets within these trust are primarily Level 1 investments, the value of the Zoo Society's interests in the perpetual trusts is shown as a Level 2 measurement as the trusts themselves are not actively traded (Level 1) instruments.

Board-Designated Net Assets

The Board of Trustees establishes and maintains board-designated funds. The Sustaining Fund and the ZooFutures Fund comprise a significant majority of the board-designated net assets of the Zoo Society. Additionally, the Zoo Society has established and maintains funds to supplement the African Elephant Crossing and other Special Project Initiatives.

The Sustaining Fund was established in 1991 with the express purpose of ensuring the Zoo Society's continuing existence by providing a source of operating funds to the Zoo Society in the event of economic hardship. During 2010, the Sustaining Fund lent \$1,000,000 in cash to the Zoo Society to fulfill its obligations to the District for the African Elephant Crossing exhibit. This amount was repaid in full during 2012. In 2012, the Sustaining Fund Policy was amended by the Executive Committee based upon recommendation from the Finance/Investment Committee. The Sustaining Fund, in year 2011 and beyond, may be used to fund discretionary annual distributions to the Zoo Society and fund short-term loans to the Zoo Society to supplement capital campaign or other cash flow management issues; so long as the Sustaining Fund balance remains above 50% of the Zoo Society's current budgeted annual unrestricted operating expenses. Approved discretionary annual distributions were \$475,000 and \$-0-, and the Zoo Society expended \$252,412 and \$-0-, for the years ended December 31, 2012 and 2011, respectively. Included within the \$475,000 of approved discretionary annual distributions is \$189,552 that has been approved for office renovations set to commence in fiscal 2013.

The ZooFutures Fund was established in 1998 with the express purpose of receiving planned gifts and other contributions and to act similar to an endowment (quasi-endowment) which is administered and operated in support of Zoo Society activities.

Board-designated net assets were as follows at December 31:

| | 2012 |
|------------------------------|-------------|
| Sustaining Fund | \$4,879,067 |
| ZooFutures Fund | 2,456,544 |
| African Elephant Crossing | 133,000 |
| Special Projects Allocations | 93,335 |
| | \$7,561,946 |

Net Asset Classification of Endowment Funds

The Zoo Society's ZooFutures Fund consists of one fund established to fund a variety of programs. The ZooFutures Fund includes both donor-restricted funds and board-designated funds. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as quasi-endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees of the Zoo Society has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, The Zoo Society classifies as permanently restricted net assets (a) the original value of

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gifts donated, (b) the original value of subsequent gifts, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with SPMIFA, the Zoo Society considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund.
- (2) The purposes of the Zoo Society and the donor-restricted endowment fund.
- (3) General economic conditions.
- (4) The investment policies of the Zoo Society.

During the year ended December 31, 2012, the Zoo Society had the following endowment-related activities:

| | Donor-Restricted Endowment Funds | Board-Designated Quasi-Endowment Funds | Total |
|--------------------------------------|--|--|------------------|
| Investment return | | | |
| Investment income | \$2,350 | \$57,243 | \$59,593 |
| Net realized and unrealized gains | 0 | 265,271 | 265,271 |
| Contributions to perpetual endowment | 0 | 33,022 | 33,022 |
| Amounts appropriated for expenditure | (2,350) | (79,442) | (81,792) |
| Total change in endowment funds | <u>\$0</u> | <u>\$276,094</u> | <u>\$276,094</u> |

Endowment net asset composition by type of fund as of December 31, 2012:

| | Unrestricted | Permanently Restricted | Total |
|--|--------------------|---------------------------|--------------------|
| Donor-restricted endowment funds | \$0 | \$47,000 | \$47,000 |
| Board-designated quasi-endowment funds | 2,456,544 | 0 | 2,456,544 |
| | <u>\$2,456,544</u> | <u>\$47,000</u> | <u>\$2,503,544</u> |

Changes in endowment net assets for the fiscal year ended December 31, 2012:

| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
|---|--------------------|---------------------------|---------------------------|--------------------|
| Endowment net assets, beginning of year | \$2,180,450 | \$0 | \$47,000 | \$2,227,450 |
| Investment return: | | | | |
| Investment income | 57,243 | 2,350 | 0 | 59,593 |
| Net realized and unrealized gains | 265,271 | 0 | 0 | 265,271 |
| Contributions to perpetual endowment | 33,022 | 0 | 0 | 33,022 |
| Appropriation of endowments assets for expenditure | (79,442) | (2,350) | 0 | (81,792) |
| Endowment net assets, end of year | <u>\$2,456,544</u> | <u>\$0</u> | <u>\$47,000</u> | <u>\$2,503,544</u> |

| | <u>2012</u> |
|--|-----------------|
| Permanently restricted net assets: | |
| The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulation or by SPMIFA | <u>\$47,000</u> |
| Total endowment funds classified as permanently restricted net assets | <u>\$47,000</u> |

Cleveland Metroparks
Notes To The Basic Financial Statements
For The Year Ended December 31, 2012

Return Objectives and Risk Parameters The Zoo Society has adopted investment and spending policies for the ZooFutures Fund that attempt to provide a predictable stream of funding while seeking to maintain the purchasing power of the assets. Assets include those assets of donor-restricted funds that the Zoo Society must hold in perpetuity or for a donor-specified period(s), as well as board-designated funds. Under this policy, as approved by the Board of Trustees, investments of all Zoo Society assets are directed by the Investment Committee of the Zoo Society utilizing professional managers. The standard for the Investment Committee with regard to ZooFutures Fund assets shall be the preservation of corpus while prudently maximizing real growth. The Zoo Society will conduct a quarterly monitoring of the portfolio. Investment performance will be measured against comparative market indices including the Standard & Poor 500 Index and the Lehman Brothers Aggregate Bond Index. The performance of the overall portfolio will also be monitored quarterly and compared against appropriate benchmarks.

Strategies Employed for Achieving Objectives To satisfy its long-term rate-of-return objectives, the Zoo Society relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Zoo Society targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy Recommendations for the use of ZooFutures Fund assets free of donor restriction shall be the responsibility of a ZooFutures Grants Committee (the "Grants Committee"). Recommendations of the Grants Committee shall be subject to confirmation by the Zoo Society's Executive Committee. Grants from the ZooFutures Fund shall be in support of Zoo and Zoo Society activities, zoological conservation, and such other purposes as the Zoo Society's Board of Trustees shall deem appropriate. Except in special circumstances, and except for recommending specific uses of generally restricted donor funds, the Grants Committee shall limit its recommendations in the aggregate to an amount which shall not exceed in any calendar year a sum equal to 5% of the ZooFutures Fund assets. Amounts that have been approved for expenditure, in any given year, but not expended by the end of year, are carried over to subsequent years. As of December 31, 2012, \$112,991 represents the cumulative carry forward of prior approved, but unexpended, annual allocations.

Split-Interest Agreements

The Zoo Society administers various charitable gift annuities. Under these agreements, the Zoo Society remits fixed payments to the donors on a quarterly basis. Interest rates range from 4.5% to 8.8%. Using applicable mortality tables, quarterly payments are estimated to extend through 2034. Investments, primarily mutual funds, held in charitable gift annuities aggregated \$160,606 at December 31, 2012, and are reported at fair value in the statements of financial position. Included in liability under split-interest agreements is \$100,599 at December 31, 2012, related to these agreements.

Beneficial interest in perpetual trusts include two separate trust funds that have been instructed to provide the Zoo Society with the unrestricted use of the Zoo Society's respective portion of the trusts' income in accordance with the trusts' documents. The Zoo Society has an irrevocable right to receive the income from the trusts' assets in perpetuity. The Zoo Society's share of the trusts' assets which had a market value on December 31, 2012 of \$511,535 are included in the accompanying statements of financial position. The trusts' investments are managed by external trustees designated by the donors. As such, the Zoo Society does not control the allocation of the trusts' investments.

Cleveland Metroparks
Notes To The Basic Financial Statements
For The Year Ended December 31, 2012

Restrictions on Net Assets

Temporarily restricted net assets available for the following purposes at December 31:

| | <u>2012</u> |
|---|--------------------|
| African Elephant Crossing | \$339,694 |
| Art conservation project | 70,412 |
| Carousel | 22,429 |
| Conservation and science | 327,352 |
| Zoo education and workforce development | 331,592 |
| Marketing sponsorships | 71,098 |
| Neotropical research | 53,040 |
| | <u>\$1,215,617</u> |

Temporarily restricted net assets released from donor restrictions by incurring expenditures satisfying the purpose restrictions specified by donors as follows during the years ended December 31:

| | <u>2012</u> |
|---|------------------|
| Conservation and science | \$227,782 |
| Zoo education and workforce development | 87,354 |
| Neotropical research | 51,960 |
| Marketing sponsorships | 129,198 |
| Art conservation | 9,000 |
| Carousel | 71 |
| Strategic planning | 2,549 |
| Endowment | 2,350 |
| Other capital campaign costs | 250,169 |
| | <u>\$760,433</u> |

Permanently restricted net assets aggregating \$558,535 at December 31, 2012, consist of endowment fund assets to be held in perpetuity and beneficial interests in perpetual trusts.

Cleveland Metroparks

The Zoo Society has historically provided support to the Metroparks for a variety of Zoo programs and functions. Support is summarized below for the year ended December 31:

| | <u>2012</u> |
|-----------------------------------|--------------------|
| Metroparks agreement | \$1,880,991 |
| Education expenditures | 441,512 |
| Conservation expenditures | 202,981 |
| Boo at the Zoo | 33,750 |
| Levy support and lobbying | 10,000 |
| Senior Day | 8,332 |
| Other miscellaneous Zoo functions | 87,116 |
| Neotropical research | 51,960 |
| | <u>\$2,716,642</u> |

Cleveland Metroparks
Notes To The Basic Financial Statements
For The Year Ended December 31, 2012

In September 1997, the Zoo Society entered into an agreement with the Metroparks, with an initial term of seven years, which requires the Zoo Society to remit to the Metroparks a specific percentage equivalent to its aggregate annual membership contributions for membership categories where the dues are \$125 or less. This percentage began at 55% in 1998 and progressively increased to a maximum level of 70% for 2002 and thereafter. The agreement has an ongoing annual renewal clause that grants the parties the ability to request renegotiation or cancellation. In the absence of specific action on behalf of either party, the agreement automatically renews for another year. The Metroparks recognizes the Society's annual operating support to the Zoo's operating budget to help finance key areas including, but not limited to: Zoo education; outreach programs; animal health, care, and welfare; horticultural and Zoo grounds beautification; and quality Zoo guest services. Under this agreement, the Zoo Society has recorded aggregate Zoo support of \$1,880,991 for 2012.

Effective January 1, 2013, the Zoo Society amended its agreement with the Metroparks in order to enhance overall donor engagement with the Zoo Society's and Metroparks's joint mission. The terms of this agreement require guaranteed annual remittances equivalent to 72% of gross Zoo Society membership revenue. This total amount will be composed of an amount equal to 65% of gross membership revenues as described in the previous agreement noted above, plus an amount equal to 7% of gross membership revenues to be used for mutually agreed priorities. These priorities are mission-relevant, have donor appeal and advance the joint strategic plan. This agreement continues through December 31, 2013.

Included in "Amounts due to the Metroparks – Operating agreement" on the statements of financial position is \$699,732 which is owed to the Metroparks under the above agreement at December 31, 2012.

Allocation of Joint Costs For the year ended December 31, 2012, the Zoo Society incurred joint costs for information materials and activities that included fundraising appeals. The Zoo Society allocated these joint costs as follows:

| | |
|------------------|-----------|
| | 2012 |
| Fundraising | \$129,868 |
| Program Services | 203,229 |
| | \$333,097 |

In-Kind Contributions For the year ended December 31, 2012, \$157,400 as included as unrestricted special events support and revenues and expenses on the statements of activities.

Defined Contribution Plans

Effective January 1, 1999, the Zoo Society adopted a 403(b) defined contribution plan (the "Plan"). The Plan covers all employees who work 1,000 hours or more during a calendar year. Each participant may elect to defer a portion of their annual compensation and the Zoo Society will make a matching contribution up to 3 percent of the participant's compensation. During 2012, the amount of expense related to this plan was \$45,963.

Effective January 1, 2005, the Zoo Society adopted a 457(b) executive deferred compensation plan (the "Executive Plan"). Participation in the plan is limited to those determined eligible by the Committee of Plan Trustees. Participants may elect annually to defer a portion of their compensation. The Committee may annually elect to provide employer contributions to the plan. Participants are immediately vested in

Cleveland Metroparks
Notes To The Basic Financial Statements
For The Year Ended December 31, 2012

their elected deferral amounts and vest in the employer contributions over a five-year service period or upon their death or permanent disability. During 2012, the amount of expense related to this Executive Plan was \$10,000.

Related Party Transactions

At December 31, 2012, \$85,202 of pledges receivable and \$659,864 of support and revenue, respectively, were from related parties, primarily trustee and trustee-related organizations.

The Zoo Society receives donated rent for its office facility from the Zoo. The amount of such rent cannot be reasonably estimated due to the unique nature of the space. Therefore, no amounts are recorded on the statements of activities for the year ended December 31, 2012.

Subsequent Events

In January 2013, the Metroparks approved participation in a Carousel Special Project Initiative. This initiative outlines certain roles and responsibilities involving the Zoo Society. As part of its roles and responsibilities, the Zoo Society has conditionally committed to a fundraising initiative of up to \$2,000,000 to be used for the purchase of the carousel, estimated costs for the pavilion to house the carousel, and other programmatic costs. The commitment to the Metroparks is conditioned upon the Metroparks approving expenditures relating to this initiative. The Zoo Society intends to raise funds through a capital campaign project to fund any commitments related to this initiative. If the capital campaign does not raise sufficient funds to cover the commitments, the Zoo Society will use funds from the Sustaining Fund to fund the initiative. As of the date of this report, the Zoo Society has raised \$298,360 and the Metroparks has approved expenses totaling \$789,500 for the construction, shipping and installation of the Carousel.

In February 2013, the Zoo Society received an anonymous grant to establish a fund in the initial amount of \$250,000 to be used to support a mission to enhance the care of elephants through professional education of the Zoo elephant animal care staff and/or to enhance the medical understanding of elephants through veterinary research and conservation medicine. These funds are to be administered in accordance with the investment policy of the Zoo Society. Expenditures from this grant shall be limited to those that are mentioned above. The donor, and eventually the named successor(s), requests that they be involved in review, on an on-going basis, of the opportunities that would be appropriate to fund the mission of the grant.

Fund Statements and Schedules

Fund Description - Fiduciary Fund

Fiduciary Fund

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the Metroparks under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the Metroparks' own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Agency Fund

Flexible Benefits Plan Fund - This fund reflects resources that belong to the Metroparks' employees to be used for medical expenses.

Cleveland Metroparks

Statement of Changes in Assets and Liabilities

Agency Fund

For the Year Ended December 31, 2012

| | <u>Beginning Balance 12/31/11</u> | <u>Additions</u> | <u>Deductions</u> | <u>Ending Balance 12/31/12</u> |
|--------------------------------------|---|------------------|-------------------|--|
| <i>Flexible Benefits Plan</i> | | | | |
| Assets | | | | |
| Cash and Cash Equivalents | <u>\$49,663</u> | <u>\$266,720</u> | <u>\$245,747</u> | <u>\$70,636</u> |
| Liabilities | | | | |
| Deposits Held and Due to Others | <u>\$49,663</u> | <u>\$266,720</u> | <u>\$245,747</u> | <u>\$70,636</u> |

*Individual Fund Schedule of Revenues, Expenditures
and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual*

Cleveland Metroparks
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--------------------------------|-------------------------|--------------------|--------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Property Taxes | \$43,567,819 | \$45,467,226 | \$45,221,267 | (\$245,959) |
| Intergovernmental | 10,615,657 | 10,615,657 | 10,526,996 | (88,661) |
| Donations and Sponsors | 3,807,243 | 3,781,318 | 1,903,730 | (1,877,588) |
| Interest | 65,317 | 65,024 | 48,082 | (16,942) |
| Golf Receipts | 6,127,495 | 6,100,005 | 6,264,814 | 164,809 |
| Zoo Receipts | 8,341,353 | 8,303,931 | 8,128,887 | (175,044) |
| Park Receipts | 1,594,359 | 1,587,206 | 1,484,567 | (102,639) |
| Damages and Fines | 97,696 | 97,258 | 79,450 | (17,808) |
| Other | 399,131 | 397,340 | 518,619 | 121,279 |
| Total Revenues | 74,616,070 | 76,414,965 | 74,176,412 | (2,238,553) |
| Expenditures: | | | | |
| Current: | | | | |
| Park Operations | | | | |
| Salaries | 10,975,753 | 11,284,325 | 10,793,140 | 491,185 |
| Fringe Benefits | 3,655,336 | 3,617,930 | 3,416,124 | 201,806 |
| Operating Supplies/Other | 4,652,261 | 4,591,628 | 4,194,579 | 397,049 |
| Total Park Operations | 19,283,350 | 19,493,883 | 18,403,843 | 1,090,040 |
| Zoo Operations | | | | |
| Salaries | 10,818,838 | 10,928,941 | 10,506,666 | 422,275 |
| Fringe Benefits | 3,254,831 | 3,251,440 | 3,202,790 | 48,650 |
| Operating Supplies/Other | 6,722,885 | 6,560,767 | 5,556,946 | 1,003,821 |
| Total Zoo Operations | 20,796,554 | 20,741,148 | 19,266,402 | 1,474,746 |
| Golf Course | | | | |
| Salaries | 2,972,742 | 2,895,758 | 2,866,290 | 29,468 |
| Fringe Benefits | 910,975 | 933,037 | 882,443 | 50,594 |
| Operating Supplies/Other | 2,462,442 | 2,764,703 | 2,317,861 | 446,842 |
| Total Golf Course | 6,346,159 | 6,593,498 | 6,066,594 | 526,904 |
| Ranger Department | | | | |
| Salaries | 5,199,263 | 5,324,337 | 5,047,472 | 276,865 |
| Fringe Benefits | 1,752,419 | 1,752,419 | 1,751,778 | 641 |
| Operating Supplies/Other | 663,888 | 609,734 | 559,893 | 49,841 |
| Total Ranger Department | \$7,615,570 | \$7,686,490 | \$7,359,143 | \$327,347 |

(continued)

Cleveland Metroparks
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2012

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|--------------------|---------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Administration | | | | |
| Salaries | \$6,471,329 | \$5,851,001 | \$5,834,667 | \$16,334 |
| Fringe Benefits | 2,093,416 | 2,111,060 | 1,793,709 | 317,351 |
| Operating Supplies/Other | 4,908,164 | 5,128,009 | 5,124,159 | 3,850 |
| Total Administration | 13,472,909 | 13,090,070 | 12,752,535 | 337,535 |
| Capital Outlay | | | | |
| Parks | 14,690,944 | 14,573,221 | 11,933,118 | 2,640,103 |
| Zoo | 2,295,689 | 2,521,490 | 1,442,930 | 1,078,560 |
| Golf | 985,033 | 1,004,139 | 705,387 | 298,752 |
| Rangers | 384,983 | 405,480 | 404,764 | 716 |
| Administration | 1,706,700 | 3,230,534 | 2,846,283 | 384,251 |
| Total Capital Outlay | 20,063,349 | 21,734,864 | 17,332,482 | 4,402,382 |
| <i>Total Expenditures</i> | <u>87,577,891</u> | <u>89,339,953</u> | <u>81,180,999</u> | <u>8,158,954</u> |
| <i>Net Change in Fund Balance</i> | (12,961,821) | (12,924,988) | (7,004,587) | 5,920,401 |
| <i>Fund Balance Beginning of Year</i> | 12,994,016 | 12,994,016 | 12,994,016 | 0 |
| Prior Year Encumbrances Appropriated | 4,180,723 | 4,180,723 | 4,180,723 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$4,212,918</u> | <u>\$4,249,751</u> | <u>\$10,170,152</u> | <u>\$5,920,401</u> |

STATISTICAL SECTION

STATISTICAL
SECTION

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Statistical Section

This part of the Cleveland Metroparks 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 Metroparks' overall financial health.

| <u>Contents</u> | <u>Page(s)</u> |
|---|-----------------------|
| Financial Trends These schedules contain trend information to help the reader understand how the Metroparks' financial performance and well-being have changed over time. | S2-S9 |
| Revenue Capacity These schedules contain information to help the reader assess the Metroparks' most significant local revenue source, property taxes. | S10-S20 |
| Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the Metropark's financial activities take place. | S21-S23 |
| Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Metroparks' financial report relates to the services the Metroparks provides and the activities it performs. | S24-S29 |

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

Cleveland Metroparks
Net Position By Component
Last Ten Years
(Accrual Basis of Accounting)

| | 2012 | 2011 | 2010 | 2009 |
|--|----------------------|----------------------|----------------------|----------------------|
| Governmental Activities | | | | |
| Net Investment in Capital Assets | \$257,396,221 | \$238,046,207 | \$215,883,757 | \$200,227,409 |
| Unrestricted | 14,533,073 | 27,186,827 | 22,020,532 | 32,704,664 |
| <i>Total Primary Government Net Position</i> | <u>\$271,929,294</u> | <u>\$265,233,034</u> | <u>\$237,904,289</u> | <u>\$232,932,073</u> |

| 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$190,177,210 | \$168,946,737 | \$160,850,477 | \$151,823,554 | \$141,023,349 | \$134,962,660 |
| 34,497,211 | 39,579,667 | 29,562,564 | 21,983,475 | 9,581,897 | 16,971,900 |
| <u>\$224,674,421</u> | <u>\$208,526,404</u> | <u>\$190,413,041</u> | <u>\$173,807,029</u> | <u>\$150,605,246</u> | <u>\$151,934,560</u> |

Cleveland Metroparks
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

| | 2012 | 2011 | 2010 | 2009 |
|--|---------------------|---------------------|---------------------|---------------------|
| Program Revenues | | | | |
| Primary Government: | | | | |
| Charges for Services: | | | | |
| Park Operations | \$1,484,461 | \$843,480 | \$1,056,620 | \$1,102,345 |
| Zoo Operations | 8,128,588 | 8,800,702 | 7,202,243 | 7,513,920 |
| Golf Courses | 6,251,559 | 5,026,038 | 5,642,647 | 5,886,833 |
| Ranger Department | 81,133 | 52,372 | 53,198 | 55,500 |
| Administration | 0 | 415,585 | 0 | 0 |
| Subtotal - Charges for Services | <u>15,945,741</u> | <u>15,138,177</u> | <u>13,954,708</u> | <u>14,558,598</u> |
| Operating Grants and Contributions: | | | | |
| Park Operations | 465,606 | 2,402,426 | 185,189 | 602,669 |
| Zoo Operations | 762,915 | 467,933 | 170,203 | 1,429,820 |
| Golf Courses | 63,480 | 0 | 0 | 0 |
| Ranger Department | 5,605 | 20,079 | 29,341 | 44,090 |
| Administration | 606,124 | 202,486 | 207,157 | 1,532,694 |
| Subtotal - Operating Grants and Contributions | <u>1,903,730</u> | <u>3,092,924</u> | <u>591,890</u> | <u>3,609,273</u> |
| Capital Grants and Contributions: | | | | |
| Park Operations | 15,827,384 | 3,870,155 | 2,236,506 | 859,400 |
| Zoo Operations | 3,600 | 1,398,637 | 3,553,576 | 1,255,691 |
| Golf Courses | 1,022,000 | 19,099,160 | 0 | 0 |
| Ranger Department | 0 | 0 | 0 | 0 |
| Administration | 0 | 60,000 | 26,818 | 0 |
| Subtotal - Capital Grants and Contributions | <u>16,852,984</u> | <u>24,427,952</u> | <u>5,816,900</u> | <u>2,115,091</u> |
| <i>Total Primary Government Program Revenues</i> | <u>\$34,702,455</u> | <u>\$42,659,053</u> | <u>\$20,363,498</u> | <u>\$20,282,962</u> |
| Expenses | | | | |
| Primary Government: | | | | |
| Park Operations | \$24,777,188 | \$22,999,061 | \$23,308,538 | \$24,651,013 |
| Zoo Operations | 21,862,586 | 21,568,830 | 22,017,328 | 21,662,820 |
| Golf Courses | 6,273,862 | 7,041,497 | 6,729,996 | 6,894,736 |
| Ranger Department | 7,406,040 | 8,039,599 | 8,062,677 | 7,472,786 |
| Administration | 11,347,881 | 12,315,110 | 11,462,899 | 10,291,882 |
| <i>Total Primary Government Program Expenses</i> | <u>71,667,557</u> | <u>71,964,097</u> | <u>71,581,438</u> | <u>70,973,237</u> |
| <i>Total Primary Government Net Expense</i> | (36,965,102) | (29,305,044) | (51,217,940) | (50,690,275) |
| General Revenues and Other Changes in Net Assets | | | | |
| Primary Government: | | | | |
| Property Taxes Levied For General Purposes | \$37,933,471 | \$45,837,601 | \$46,490,136 | \$48,195,557 |
| Grants and Entitlements not Restricted to | | | | |
| Specific Programs | 5,169,784 | 10,194,483 | 9,141,480 | 10,055,921 |
| Investment Earnings | 47,154 | 44,151 | 120,490 | 276,886 |
| Miscellaneous | 510,953 | 557,554 | 438,050 | 419,563 |
| <i>Total Primary Government General Revenues and Other Changes in Position</i> | <u>43,661,362</u> | <u>56,633,789</u> | <u>56,190,156</u> | <u>58,947,927</u> |
| <i>Total Primary Government Change in Net Position</i> | <u>\$6,696,260</u> | <u>\$27,328,745</u> | <u>\$4,972,216</u> | <u>\$8,257,652</u> |

| 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| \$1,074,125 | \$1,063,905 | \$1,039,166 | \$1,040,646 | \$975,305 | \$1,072,821 |
| 7,321,563 | 7,641,496 | 6,870,987 | 6,170,397 | 7,137,528 | 7,896,773 |
| 5,736,129 | 5,931,897 | 5,548,949 | 5,570,313 | 5,447,737 | 5,402,646 |
| 54,079 | 86,801 | 77,881 | 85,086 | 52,379 | 90,901 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>14,185,896</u> | <u>14,724,099</u> | <u>13,536,983</u> | <u>12,866,442</u> | <u>13,612,949</u> | <u>14,463,141</u> |
| 258,057 | 174,090 | 371,945 | 397,360 | 97,549 | 192,225 |
| 612,235 | 413,026 | 420,018 | 374,940 | 136,736 | 96,546 |
| 0 | 0 | 0 | 8,650 | 0 | 0 |
| 18,879 | 12,736 | 0 | 0 | 1,560 | 26,466 |
| 656,285 | 442,743 | 434,437 | 138,597 | 236,995 | 203,096 |
| <u>1,545,456</u> | <u>1,042,595</u> | <u>1,226,400</u> | <u>919,547</u> | <u>472,840</u> | <u>518,333</u> |
| 1,480,201 | 2,330,263 | 1,836,952 | 1,865,141 | 0 | 1,523,727 |
| 0 | 12,935 | 0 | 0 | 227,668 | 2,268,836 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 1,005 | 0 | 35,500 |
| <u>1,480,201</u> | <u>2,343,198</u> | <u>1,836,952</u> | <u>1,866,146</u> | <u>227,668</u> | <u>3,828,063</u> |
| <u>\$17,211,553</u> | <u>\$18,109,892</u> | <u>\$16,600,335</u> | <u>\$15,652,135</u> | <u>\$14,313,457</u> | <u>\$18,809,537</u> |
| \$23,028,607 | \$22,243,566 | \$20,549,748 | \$20,158,786 | \$18,778,385 | \$19,802,850 |
| 20,634,338 | 19,642,729 | 19,318,945 | 15,861,777 | 15,988,629 | 17,663,078 |
| 6,790,994 | 6,669,339 | 6,307,379 | 5,782,194 | 6,209,354 | 5,438,719 |
| 7,413,643 | 7,109,441 | 7,079,239 | 6,393,974 | 6,855,859 | 6,010,583 |
| 10,328,953 | 10,217,480 | 9,201,273 | 9,915,298 | 8,907,191 | 9,485,351 |
| <u>68,196,535</u> | <u>65,882,555</u> | <u>62,456,584</u> | <u>58,112,029</u> | <u>56,739,418</u> | <u>58,400,581</u> |
| (50,984,982) | (47,772,663) | (45,856,249) | (42,459,894) | (42,425,961) | (39,591,044) |
| \$46,664,587 | \$50,191,485 | \$51,562,461 | \$51,680,119 | \$33,801,710 | \$34,411,520 |
| 12,742,984 | 12,383,258 | 9,333,035 | 12,225,924 | 6,878,708 | 6,174,217 |
| 976,710 | 1,673,646 | 1,299,475 | 616,503 | 203,684 | 250,208 |
| 384,095 | 241,144 | 267,290 | 1,139,131 | 212,545 | 238,114 |
| <u>60,768,376</u> | <u>64,489,533</u> | <u>62,462,261</u> | <u>65,661,677</u> | <u>41,096,647</u> | <u>41,074,059</u> |
| <u>\$9,783,394</u> | <u>\$16,716,870</u> | <u>\$16,606,012</u> | <u>\$23,201,783</u> | <u>(\$1,329,314)</u> | <u>\$1,483,015</u> |

Cleveland Metroparks
Fund Balance, Governmental Fund
Last Ten Years
(Modified Accrual Basis of Accounting)

| | 2012 | 2011 | 2010 | 2009 |
|--|---------------------|---------------------|---------------------|---------------------|
| General Fund | | | | |
| Nonspendable | \$1,756,268 | \$1,566,651 | \$1,142,342 | N/A |
| Restricted | 0 | 0 | 0 | N/A |
| Committed | 811,219 | 0 | 0 | N/A |
| Assigned | 1,607,514 | 2,278,365 | 2,216,282 | N/A |
| Unassigned | 7,646,792 | 10,697,173 | 8,848,873 | N/A |
| Reserved | N/A | N/A | N/A | \$2,194,591 |
| Unreserved | N/A | N/A | N/A | 20,903,307 |
| Total Governmental Fund (Deficit) | <u>\$11,821,793</u> | <u>\$14,542,189</u> | <u>\$12,207,497</u> | <u>\$23,097,898</u> |

Note: During 2010, the Metroparks implemented GASB 54.

| 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|---------------------|---------------------|---------------------|---------------------|--------------------|---------------------|
| N/A | N/A | N/A | N/A | N/A | N/A |
| N/A | N/A | N/A | N/A | N/A | N/A |
| N/A | N/A | N/A | N/A | N/A | N/A |
| N/A | N/A | N/A | N/A | N/A | N/A |
| N/A | N/A | N/A | N/A | N/A | N/A |
| \$2,966,900 | \$6,234,128 | \$2,710,751 | \$903,269 | \$905,936 | \$4,598,714 |
| 24,154,101 | 26,523,511 | 21,669,604 | 15,999,555 | 7,366,422 | 10,884,895 |
| <u>\$27,121,001</u> | <u>\$32,757,639</u> | <u>\$24,380,355</u> | <u>\$16,902,824</u> | <u>\$8,272,358</u> | <u>\$15,483,609</u> |

Cleveland Metroparks
Changes in Fund Balance, Governmental Fund
Last Ten Years
(Modified Accrual Basis of Accounting)

| | 2012 | 2011 | 2010 | 2009 |
|---|----------------------|--------------------|-----------------------|----------------------|
| Revenues | | | | |
| Property Taxes | \$45,221,267 | \$44,894,023 | \$45,941,546 | \$46,540,671 |
| Intergovernmental | 10,667,895 | 14,086,691 | 11,082,919 | 9,289,978 |
| Donations and Sponsors | 1,903,730 | 1,933,057 | 4,175,206 | 4,864,964 |
| Interest | 47,154 | 44,151 | 120,490 | 276,886 |
| Golf Receipts | 6,251,559 | 5,026,038 | 5,406,180 | 5,780,845 |
| Zoo Receipts | 8,128,588 | 8,800,702 | 7,097,080 | 7,528,225 |
| Park Receipts | 1,484,461 | 1,207,123 | 1,367,478 | 1,156,853 |
| Damages and Fines | 81,133 | 104,314 | 83,970 | 92,675 |
| Other | 510,953 | 557,554 | 438,050 | 419,563 |
| <i>Total Revenues</i> | <u>74,296,740</u> | <u>76,653,653</u> | <u>75,712,919</u> | <u>75,950,660</u> |
| Expenditures | | | | |
| Current: | | | | |
| Park Operations | 18,448,630 | 17,467,667 | 18,563,889 | 17,884,242 |
| Zoo Operations | 18,852,908 | 18,243,758 | 19,515,046 | 19,317,551 |
| Golf Course | 5,896,692 | 6,479,798 | 6,343,827 | 6,462,704 |
| Ranger Department | 7,125,113 | 7,862,664 | 7,631,461 | 7,267,992 |
| Administration | 10,675,899 | 12,547,485 | 11,025,181 | 10,141,892 |
| Capital Outlay | 16,017,894 | 11,717,589 | 23,523,916 | 18,899,382 |
| <i>Total Expenditures</i> | <u>77,017,136</u> | <u>74,318,961</u> | <u>86,603,320</u> | <u>79,973,763</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (2,720,396) | 2,334,692 | (10,890,401) | (4,023,103) |
| Other Financing Source | | | | |
| Sale of Capital Assets | 0 | 0 | 0 | 0 |
| <i>Net Change in Fund Balance</i> | <u>(\$2,720,396)</u> | <u>\$2,334,692</u> | <u>(\$10,890,401)</u> | <u>(\$4,023,103)</u> |

| 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|----------------------|--------------------|--------------------|--------------------|----------------------|----------------------|
| \$47,343,247 | \$49,593,381 | \$51,008,511 | \$50,037,821 | \$33,975,387 | \$33,766,677 |
| 11,940,112 | 15,088,400 | 11,897,170 | 11,515,633 | 6,628,116 | 4,582,640 |
| 3,025,657 | 909,747 | 1,075,176 | 1,327,931 | 700,508 | 5,931,654 |
| 976,710 | 1,673,646 | 1,299,475 | 616,503 | 203,684 | 250,208 |
| 5,736,129 | 5,931,897 | 5,548,949 | 5,570,313 | 5,447,307 | 5,402,646 |
| 7,321,563 | 7,641,496 | 6,870,987 | 6,170,397 | 7,137,528 | 7,896,773 |
| 1,074,125 | 1,063,905 | 1,039,166 | 1,040,646 | 975,255 | 1,072,821 |
| 54,079 | 86,801 | 77,881 | 85,086 | 52,379 | 90,901 |
| 384,095 | 241,144 | 267,290 | 1,139,131 | 212,545 | 238,114 |
| <u>77,855,717</u> | <u>82,230,417</u> | <u>79,084,605</u> | <u>77,503,461</u> | <u>55,332,709</u> | <u>59,232,434</u> |
| 19,235,045 | 19,276,373 | 16,570,492 | 16,658,828 | 14,613,128 | 15,410,001 |
| 18,716,585 | 18,214,399 | 17,149,224 | 15,455,102 | 13,309,315 | 15,695,448 |
| 6,444,686 | 6,343,573 | 5,917,687 | 5,788,395 | 5,104,129 | 5,071,615 |
| 7,255,010 | 6,954,429 | 6,840,627 | 6,355,757 | 6,042,763 | 5,839,030 |
| 10,090,187 | 9,497,351 | 9,081,582 | 9,779,131 | 8,539,874 | 9,293,617 |
| 21,750,842 | 13,567,008 | 15,827,147 | 14,895,796 | 14,961,196 | 16,340,492 |
| <u>83,492,355</u> | <u>73,853,133</u> | <u>71,386,759</u> | <u>68,933,009</u> | <u>62,570,405</u> | <u>67,650,203</u> |
| (5,636,638) | 8,377,284 | 7,697,846 | 8,570,452 | (7,237,696) | (8,417,769) |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>60,014</u> | <u>26,445</u> | <u>146,513</u> |
| <u>(\$5,636,638)</u> | <u>\$8,377,284</u> | <u>\$7,697,846</u> | <u>\$8,630,466</u> | <u>(\$7,211,251)</u> | <u>(\$8,271,256)</u> |

Cleveland Metroparks
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

| Collection Year | Real Property | | | Tangible Personal Property | |
|--------------------|------------------------------|-----------------------------|------------------------------|----------------------------|------------------------------|
| | Assessed Value | | Estimated Actual Value | Public Utility | |
| | Residential/ Agricultural | Commercial Industrial/PU | | Assessed Value | Estimated Actual Value |
| 2012 | \$20,581,061,860 | \$8,810,837,260 | \$83,976,854,629 | \$702,587,750 | \$798,395,170 |
| 2011 | 20,659,548,820 | 8,780,635,590 | 84,114,812,600 | 677,485,670 | 769,870,080 |
| 2010 | 20,668,135,030 | 8,615,061,710 | 83,666,276,400 | 658,665,770 | 748,483,830 |
| 2009 | 22,356,230,170 | 8,442,590,380 | 87,996,630,143 | 619,305,690 | 703,756,466 |
| 2008 | 22,219,276,910 | 8,458,014,540 | 87,649,404,143 | 593,166,589 | 674,052,942 |
| 2007 | 30,948,867,310 | 7,153,289,070 | 108,863,303,943 | 851,384,190 | 967,482,034 |
| 2006 | 30,654,295,600 | 7,231,170,150 | 108,244,187,857 | 847,569,150 | 963,146,761 |
| 2005 | 27,562,736,680 | 6,560,777,510 | 97,495,754,829 | 949,670,330 | 1,079,170,830 |
| 2004 | 25,218,560,610 | 6,648,693,860 | 91,049,298,486 | 953,145,140 | 1,083,119,477 |
| 2003 | 24,999,198,186 | 6,373,847,230 | 89,637,272,617 | 947,985,826 | 1,077,256,620 |

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

Source: Cuyahoga County, Ohio; County Fiscal Officer

| Tangible Personal Property | | | | | | | |
|----------------------------|------------------------------|-------------------|------------------------------|---------|--------|--------------------------|---------------------|
| General Business | | Total | | | Ratio | Total Direct Tax Rate | Weighted Average |
| Assessed Value | Estimated Actual Value | Assessed Value | Estimated Actual Value | | | | |
| \$0 | \$0 | \$30,094,486,870 | \$84,775,249,799 | 35.50 % | \$1.85 | \$1.82 | |
| 0 | 0 | 30,117,670,080 | 84,884,682,680 | 35.48 | 1.85 | 1.81 | |
| 0 | 0 | 29,941,862,510 | 84,414,760,230 | 35.47 | 1.85 | 1.81 | |
| 383,468,309 | 3,067,746,472 | 31,801,594,549 | 91,768,133,081 | 34.65 | 1.85 | 1.67 | |
| 729,256,789 | 5,834,054,312 | 31,999,714,828 | 94,157,511,396 | 33.99 | 1.85 | 1.67 | |
| 1,926,857,995 | 10,276,575,973 | 40,880,398,565 | 120,107,361,949 | 34.04 | 1.85 | 1.67 | |
| 1,925,823,540 | 8,373,145,826 | 40,658,858,440 | 117,580,480,444 | 34.58 | 1.85 | 1.85 | |
| 2,390,355,929 | 10,392,851,865 | 37,463,540,449 | 108,967,777,523 | 34.36 | 1.85 | 1.70 | |
| 2,814,568,566 | 11,727,369,025 | 35,634,968,176 | 103,859,786,988 | 34.31 | 1.55 | 1.17 | |
| 2,808,829,372 | 11,703,455,717 | 35,129,860,614 | 102,417,984,954 | 34.30 | 1.55 | 1.28 | |

Cleveland Metroparks

Property Tax Rates - Direct and Overlapping Governments (1)

(Per \$1,000 of Assessed Valuation)

Last Six Years (2)

| | 2012 | | 2011 | | 2010 | |
|--|------------|----------------|------------|----------------|------------|----------------|
| | Gross Rate | Effective Rate | Gross Rate | Effective Rate | Gross Rate | Effective Rate |
| Voted Millage by Levy | | | | | | |
| 2004 General Operating | | | | | | |
| Effective Millage Rates | | | | | | |
| Residential/Agricultural | \$1.8500 | \$1.8188 | \$1.8500 | \$1.8106 | \$1.8500 | \$1.8068 |
| Commercial/Industrial | 1.8500 | 1.7354 | 1.8500 | 1.7243 | 1.8500 | 1.7249 |
| General Business and Public Utility | 1.8500 | 1.8500 | 1.8500 | 1.8500 | 1.8500 | 1.8500 |
| Overlapping Rates by Tax District | | | | | | |
| Cuyahoga County | \$13.2200 | \$12.7846 | \$13.3200 | \$12.8400 | \$13.3200 | \$12.8457 |
| Cities | | | | | | |
| Bay Village | 14.9000 | 14.9000 | 14.9000 | 14.9000 | 14.9000 | 14.9000 |
| Beachwood | 4.0000 | 4.0000 | 4.0000 | 4.0000 | 4.0000 | 4.0000 |
| Bedford | 21.7000 | 21.7000 | 21.7000 | 21.7000 | 21.7000 | 21.7000 |
| Bedford Heights | 21.9000 | 21.9000 | 21.9000 | 21.9000 | 13.0000 | 13.0000 |
| Berea | 17.2000 | 13.1350 | 17.2000 | 13.1343 | 17.2000 | 13.1337 |
| Brecksville | 8.2100 | 8.2100 | 8.2100 | 8.2100 | 8.2100 | 8.2100 |
| Broadview Heights | 9.4000 | 6.3164 | 9.4000 | 6.3153 | 9.4000 | 6.3157 |
| Brook Park | 4.7500 | 4.6466 | 4.7500 | 4.6459 | 4.7500 | 4.6458 |
| Brooklyn | 5.9000 | 5.9000 | 5.9000 | 5.9000 | 5.9000 | 5.9000 |
| Cleveland | 12.7000 | 12.7000 | 12.7000 | 12.7000 | 12.7000 | 12.7000 |
| Cleveland Heights | 12.9000 | 12.9000 | 12.9000 | 12.9000 | 12.9000 | 12.9000 |
| East Cleveland | 12.7000 | 12.7000 | 12.7000 | 12.7000 | 12.7000 | 12.7000 |
| Euclid | 13.6000 | 6.3749 | 13.6000 | 6.3560 | 15.6000 | 6.8572 |
| Fairview Park | 11.8000 | 11.5700 | 11.8000 | 11.5750 | 11.8000 | 11.5743 |
| Garfield Heights | 24.3000 | 24.3000 | 24.7000 | 24.7000 | 28.7000 | 28.7000 |
| Highland Heights | 4.0000 | 4.0000 | 4.0000 | 4.0000 | 4.0000 | 4.0000 |
| Independence | 2.2000 | 2.2000 | 2.6000 | 2.6000 | 2.8000 | 2.8000 |
| Lakewood | 17.4000 | 17.4000 | 17.4000 | 17.4000 | 17.4000 | 17.4000 |
| Lyndhurst | 11.5000 | 11.5000 | 11.5000 | 11.5000 | 11.5000 | 11.5000 |
| Maple Heights | 15.5000 | 15.5000 | 15.5000 | 15.4926 | 15.5000 | 15.5000 |
| Mayfield Heights | 10.0000 | 10.0000 | 10.0000 | 10.0000 | 10.0000 | 10.0000 |
| Middleburg Heights | 5.4500 | 4.6881 | 5.4500 | 4.6878 | 5.4500 | 4.6877 |
| North Olmsted | 13.3000 | 13.3000 | 13.3000 | 13.3000 | 13.3000 | 13.3000 |
| North Royalton | 8.2000 | 5.9175 | 8.2000 | 5.9129 | 8.2000 | 5.9117 |
| Olmsted Falls | 14.4500 | 11.1585 | 14.2500 | 10.9706 | 15.2000 | 9.9418 |
| Parma | 7.1000 | 6.6287 | 7.1000 | 6.6274 | 7.1000 | 6.6267 |
| Parma Heights | 10.0000 | 10.0000 | 10.0000 | 10.0000 | 10.0000 | 10.0000 |
| Pepper Pike | 9.5000 | 9.4933 | 9.5000 | 9.4989 | 9.5000 | 9.5000 |
| Richmond Heights | 18.1000 | 15.5444 | 18.1000 | 15.5394 | 17.0000 | 14.4382 |
| Rocky River | 10.9000 | 10.9000 | 10.9000 | 10.9000 | 10.9000 | 10.9000 |
| Seven Hills | 9.5000 | 9.2063 | 9.2000 | 9.2000 | 8.2000 | 8.8251 |
| Shaker Heights | 9.9000 | 9.9000 | 9.9000 | 9.9000 | 9.9000 | 9.9000 |
| Solon | 3.8000 | 3.6580 | 3.9000 | 3.7565 | 3.9000 | 3.7563 |
| South Euclid | 13.1000 | 13.1000 | 13.1000 | 13.1000 | 14.9000 | 13.2321 |
| Strongsville | 9.9000 | 7.4089 | 9.9000 | 7.3637 | 9.9000 | 7.3603 |
| University Heights | 13.2000 | 13.2000 | 13.2000 | 13.2000 | 13.2000 | 13.2000 |
| Warrensville Heights | 9.7000 | 6.6205 | 9.7000 | 5.5887 | 9.7000 | 5.5887 |
| Westlake | \$9.6000 | \$9.6000 | \$9.6000 | \$9.6000 | \$9.6000 | \$9.6000 |

| 2009 | | 2008 | | 2007 | |
|------------|----------------|------------|----------------|------------|----------------|
| Gross Rate | Effective Rate | Gross Rate | Effective Rate | Gross Rate | Effective Rate |
| \$1.8500 | \$1.6698 | \$1.8500 | \$1.6720 | \$1.8500 | \$1.6715 |
| 1.8500 | 1.7171 | 1.8500 | 1.7125 | 1.8500 | 1.7187 |
| 1.8500 | 1.8500 | 1.8500 | 1.8500 | 1.8500 | 1.8500 |
| \$13.3200 | \$12.6607 | \$13.4200 | \$11.8688 | \$13.4200 | \$11.8688 |
| 14.9000 | 14.9000 | 14.9000 | 14.9000 | 14.9000 | 14.9000 |
| 4.0000 | 4.0000 | 4.0000 | 4.0000 | 4.0000 | 4.0000 |
| 12.8000 | 12.8000 | 12.8000 | 12.8000 | 12.8000 | 12.8000 |
| 13.0000 | 13.0000 | 13.0000 | 13.0000 | 13.0000 | 13.0000 |
| 17.2000 | 13.0431 | 16.2000 | 12.0540 | 16.2000 | 12.0669 |
| 8.5000 | 8.5000 | 8.6000 | 8.6000 | 8.6000 | 8.6000 |
| 9.4000 | 6.2737 | 9.4000 | 6.2731 | 9.4000 | 6.2725 |
| 4.7500 | 4.6775 | 4.7500 | 4.6469 | 4.8000 | 4.6753 |
| 6.9000 | 6.9000 | 6.9000 | 6.9000 | 6.9000 | 6.9000 |
| 12.7000 | 12.7000 | 12.7000 | 12.7000 | 12.7000 | 12.7000 |
| 12.9000 | 12.9000 | 12.9000 | 12.9000 | 13.0000 | 13.0000 |
| 12.7000 | 12.7000 | 12.7000 | 12.7000 | 12.7000 | 12.7000 |
| 15.6000 | 6.5565 | 15.6000 | 6.5540 | 15.6000 | 6.5522 |
| 11.8000 | 11.5054 | 11.8000 | 11.5044 | 11.8000 | 11.5041 |
| 23.3000 | 23.3000 | 21.9000 | 21.9000 | 21.9000 | 21.9000 |
| 4.0000 | 4.0000 | 4.0000 | 4.0000 | 4.0000 | 4.0000 |
| 2.8000 | 2.8000 | 2.8000 | 2.8000 | 2.8000 | 2.8000 |
| 17.4000 | 17.4000 | 17.4000 | 17.4000 | 17.4000 | 17.4000 |
| 11.5000 | 11.5000 | 11.5000 | 11.5000 | 11.0000 | 110.0000 |
| 15.5000 | 15.5000 | 15.5000 | 14.7784 | 15.5000 | 14.7776 |
| 10.0000 | 10.0000 | 10.0000 | 10.0000 | 10.0000 | 10.0000 |
| 5.4500 | 4.6686 | 5.4500 | 4.6686 | 5.4500 | 4.6685 |
| 13.2000 | 13.2000 | 13.2000 | 13.2000 | 13.2000 | 13.2000 |
| 8.2000 | 5.7698 | 8.2000 | 5.7708 | 8.2000 | 5.7741 |
| 15.7000 | 10.2462 | 16.5000 | 9.5842 | 16.5000 | 9.5844 |
| 7.1000 | 6.5166 | 7.1000 | 6.5160 | 5.1000 | 4.5157 |
| 10.2000 | 10.2000 | 10.2000 | 10.2000 | 10.2000 | 10.2000 |
| 9.5000 | 9.0676 | 9.5000 | 9.0548 | 9.5000 | 9.0533 |
| 17.0000 | 14.3041 | 17.0000 | 14.3033 | 14.0000 | 11.3082 |
| 10.9000 | 10.9000 | 10.9000 | 10.9000 | 10.9000 | 10.9000 |
| 9.2000 | 8.6128 | 9.2000 | 8.6075 | 9.3000 | 8.7096 |
| 9.9000 | 9.9000 | 9.9000 | 9.9000 | 9.9000 | 9.9000 |
| 4.1000 | 3.9417 | 4.1000 | 3.9411 | 4.1000 | 3.9405 |
| 14.9000 | 13.1066 | 14.7000 | 12.9048 | 14.7000 | 12.9037 |
| 9.9000 | 7.2089 | 10.1000 | 6.1886 | 10.1000 | 6.1981 |
| 13.2000 | 13.2000 | 13.2000 | 13.2000 | 13.2000 | 13.2000 |
| 9.7000 | 5.4808 | 13.2000 | 6.5850 | 13.2000 | 6.5906 |
| \$9.6000 | \$9.6000 | \$9.8000 | \$9.8000 | \$9.8000 | \$9.8000 |

(continued)

Cleveland Metroparks
Property Tax Rates - Direct and Overlapping Governments (1) (Continued)
(Per \$1,000 of Assessed Valuation)
Last Six Years (2)

| | 2012 | | 2011 | | 2010 | |
|---|------------|----------------|------------|----------------|------------|----------------|
| | Gross Rate | Effective Rate | Gross Rate | Effective Rate | Gross Rate | Effective Rate |
| Villages | | | | | | |
| Bentleyville | \$8.9000 | \$6.9159 | \$8.9000 | \$7.4721 | \$8.9000 | \$7.4705 |
| Bratenahl | 16.0000 | 15.4864 | 16.0000 | 15.9972 | 15.5000 | 12.9000 |
| Chagrin Falls | 11.2000 | 11.1847 | 11.2000 | 11.1828 | 11.2000 | 11.2000 |
| Cuyahoga Heights | 4.4000 | 4.4000 | 4.4000 | 4.4000 | 4.4000 | 4.4000 |
| Gates Mills | 14.4000 | 12.7636 | 14.4000 | 12.7249 | 14.4000 | 12.7194 |
| Glenwillow | 3.3000 | 3.3000 | 3.3000 | 3.3000 | 3.3000 | 3.3000 |
| Highland Hills | 20.7000 | 11.8205 | 20.7000 | 11.4924 | 20.7000 | 11.4894 |
| Hunting Valley | 5.1000 | 5.1000 | 5.1000 | 5.1000 | 5.1000 | 5.1000 |
| Linndale | 2.8000 | 2.8000 | 2.8000 | 2.8000 | 2.8000 | 2.8000 |
| Mayfield | 7.8000 | 4.1678 | 7.3000 | 4.1656 | 7.3000 | 4.1649 |
| Moreland Hills | 7.3000 | 7.3000 | 7.3000 | 7.3000 | 7.3000 | 7.3000 |
| Newburgh Heights | 23.1000 | 22.7248 | 23.1000 | 22.6790 | 19.5000 | 17.9780 |
| North Randall | 4.8000 | 4.2230 | 4.8000 | 4.2148 | 4.8000 | 4.2131 |
| Oakwood | 3.8000 | 3.8000 | 3.8000 | 3.8000 | 3.8000 | 3.8000 |
| Orange | 7.1000 | 7.1000 | 7.1000 | 7.1000 | 7.1000 | 7.1000 |
| Valley View | 6.7000 | 6.7000 | 6.7000 | 6.7000 | 6.7000 | 6.7000 |
| Walton Hills | 0.3000 | 0.3000 | 0.3000 | 0.3000 | 0.3000 | 0.3000 |
| Woodmere | 4.3000 | 4.3000 | 4.3000 | 4.3000 | 4.3000 | 4.3000 |
| Townships | | | | | | |
| Chagrin Falls | 0.0400 | 0.0400 | 0.0400 | 0.0400 | 0.0400 | 0.0400 |
| Olmsted | 23.5000 | 13.8235 | 23.5000 | 13.8021 | 21.5000 | 11.7057 |
| School Districts | | | | | | |
| Bay Village City | 129.7500 | 67.8734 | 114.9500 | 52.9108 | 108.8500 | 46.7716 |
| Beachwood City | 86.4000 | 41.1621 | 86.4000 | 41.0169 | 83.9000 | 38.4659 |
| Bedford City | 71.3000 | 37.5823 | 72.5000 | 38.6990 | 72.5000 | 38.6966 |
| Berea City | 75.0000 | 38.7027 | 74.9000 | 38.5574 | 75.0000 | 38.6450 |
| Brecksville-Broadview Heights City | 77.2000 | 39.1911 | 77.2000 | 39.1176 | 77.3000 | 39.1700 |
| Brooklyn City | 47.2000 | 34.3550 | 47.2000 | 34.2129 | 47.0000 | 35.0838 |
| Chagrin Falls Exempted Village | 107.7000 | 47.5708 | 107.7000 | 47.3264 | 108.6000 | 48.2245 |
| Cleveland Heights - University Heights City | 143.7000 | 71.7220 | 136.8000 | 64.3156 | 136.8000 | 64.1928 |
| Cleveland Municipal | 64.8000 | 31.6742 | 64.8000 | 31.5069 | 64.8000 | 31.4601 |
| Cuyahoga Heights Local | 27.8000 | 21.4861 | 28.8000 | 22.4628 | 29.0000 | 22.6478 |
| East Cleveland City | 93.0000 | 40.1932 | 93.0000 | 39.9056 | 92.5000 | 39.2650 |
| Euclid City | 88.4000 | 53.3148 | 89.9000 | 54.4667 | 89.9000 | 54.4663 |
| Fairview Park City | 97.6000 | 56.8256 | 97.6000 | 56.7442 | 97.4000 | 56.5150 |
| Garfield Heights City | 56.8600 | 42.9977 | 56.3000 | 42.1197 | 56.5000 | 42.3215 |
| Independence Local | 34.9000 | 32.9393 | 31.9000 | 29.8969 | 32.0000 | 30.0066 |
| Lakewood City | 115.4000 | 56.6893 | 115.4000 | 56.4020 | 107.9000 | 48.8809 |
| Maple Heights City | 74.2000 | 48.8997 | 71.9000 | 47.4149 | 71.9000 | 47.4149 |
| Mayfield City | 78.3200 | 40.1875 | 74.2000 | 49.7767 | 78.3200 | 40.0985 |
| North Olmsted City | 91.4000 | 52.5975 | 91.4000 | 52.5281 | 83.5000 | 44.5988 |
| North Royalton City | 65.7000 | 41.0277 | 65.8000 | 41.0839 | 65.5000 | 41.1462 |
| Olmsted Falls City | 101.6000 | 54.1899 | 101.7000 | 54.1712 | 93.0000 | 45.4561 |
| Orange City | 91.1000 | 47.0164 | 86.1000 | 41.8247 | 86.0000 | 41.6958 |
| Parma City | 73.0000 | 49.3839 | 66.1000 | 42.4584 | 66.0000 | 42.3449 |
| Richmond Heights Local | 82.6000 | 41.5035 | 82.6000 | 41.3640 | 82.6000 | 41.3343 |
| Rocky River City | 84.3500 | 44.1296 | 84.3000 | 43.9489 | 82.7000 | 42.3267 |
| Shaker Heights City | 180.1300 | 86.4536 | 180.1300 | 85.7364 | 170.6000 | 76.1047 |
| Solon City | 82.2000 | 48.3345 | 82.2000 | 48.1861 | 75.5000 | 41.4665 |
| South Euclid - Lyndhurst City | 101.5000 | 55.4209 | 101.6000 | 55.3403 | 101.6000 | 50.6368 |
| Strongsville City | 80.9800 | 40.0776 | 81.1900 | 40.2545 | 81.2000 | 40.3511 |
| Warrensville City | 89.0000 | 50.7837 | 89.5000 | 51.1160 | 90.8000 | 51.9727 |
| Westlake City | 70.1000 | 36.7691 | 70.1000 | 36.6681 | 66.7000 | 33.2708 |

| 2009 | | 2008 | | 2007 | |
|------------|----------------|------------|----------------|------------|----------------|
| Gross Rate | Effective Rate | Gross Rate | Effective Rate | Gross Rate | Effective Rate |
| \$8.9000 | \$7.4564 | \$8.9000 | \$7.4530 | \$8.9000 | \$7.4528 |
| 15.5000 | 14.1134 | 14.0000 | 11.6432 | 14.0000 | 10.9449 |
| 11.2000 | 8.8401 | 15.6000 | 13.2379 | 15.6000 | 13.2416 |
| 4.4000 | 4.4000 | 4.4000 | 4.4000 | 4.4000 | 4.4000 |
| 14.4000 | 12.1300 | 14.4000 | 12.0951 | 14.4000 | 12.0862 |
| 3.3000 | 3.3000 | 3.3000 | 3.3000 | 3.3000 | 3.3000 |
| 20.7000 | 12.8525 | 20.7000 | 12.8036 | 20.7000 | 12.9625 |
| 5.1000 | 5.1000 | 5.1000 | 5.1000 | 5.1000 | 5.1000 |
| 2.8000 | 2.8000 | 2.8000 | 2.8000 | 2.8000 | 2.8000 |
| 7.3000 | 4.1547 | 7.3000 | 4.1546 | 7.3000 | 4.1541 |
| 7.3000 | 7.3000 | 7.3000 | 7.3000 | 7.3000 | 7.3000 |
| 19.5000 | 16.8366 | 19.5000 | 16.8060 | 19.5000 | 16.7973 |
| 4.8000 | 4.1723 | 4.8000 | 4.1714 | 4.8000 | 4.1692 |
| 3.8000 | 3.8000 | 3.8000 | 3.8000 | 3.8000 | 3.8000 |
| 7.1000 | 7.1000 | 7.1000 | 7.1000 | 7.1000 | 7.1000 |
| 7.1000 | 5.3339 | 7.1000 | 5.3333 | 7.1000 | 5.3333 |
| 0.3000 | 0.3000 | 0.3000 | 0.3000 | 0.3000 | 0.3000 |
| 4.3000 | 4.3000 | 4.3000 | 4.3000 | 4.3000 | 4.3000 |
| 0.0400 | 0.0400 | 0.0400 | 0.0400 | 0.0400 | 0.0400 |
| 21.5000 | 11.0654 | 21.5000 | 11.0986 | 21.5000 | 11.0963 |
| 108.8500 | 45.8465 | 108.8500 | 45.7500 | 109.6500 | 46.5149 |
| 83.9000 | 36.3500 | 82.3000 | 34.7835 | 82.3000 | 34.8002 |
| 67.6000 | 30.9966 | 67.6000 | 31.0146 | 67.6000 | 31.0134 |
| 74.9000 | 35.9563 | 74.9000 | 35.9966 | 74.9000 | 36.0527 |
| 77.1000 | 37.2338 | 77.1000 | 37.1756 | 77.2000 | 37.2513 |
| 46.4000 | 32.9276 | 39.5000 | 26.0149 | 39.5000 | 26.0062 |
| 108.6000 | 47.8160 | 108.3000 | 47.4618 | 100.4000 | 39.6005 |
| 136.7000 | 60.2978 | 136.7000 | 60.1573 | 129.6000 | 53.0145 |
| 64.8000 | 29.0766 | 64.8000 | 29.0506 | 64.8000 | 29.0028 |
| 28.9000 | 22.4516 | 28.9000 | 22.4422 | 28.8000 | 22.3479 |
| 92.1000 | 35.4764 | 92.1000 | 35.4561 | 92.1000 | 35.4148 |
| 85.2000 | 46.1446 | 78.2000 | 39.1132 | 78.2000 | 39.0934 |
| 96.1000 | 51.9219 | 96.0000 | 51.7746 | 95.6000 | 51.3583 |
| 54.6000 | 40.1189 | 54.5000 | 40.0213 | 54.5000 | 40.0080 |
| 31.4000 | 29.2735 | 31.5000 | 29.3471 | 31.5000 | 28.5896 |
| 107.2000 | 45.9650 | 106.9000 | 45.5754 | 106.6000 | 45.2304 |
| 63.4000 | 34.4302 | 62.9000 | 36.1949 | 62.9000 | 36.9111 |
| 78.3200 | 38.1502 | 71.4200 | 31.2351 | 71.7000 | 31.5673 |
| 83.5000 | 41.1735 | 83.5000 | 41.1462 | 77.0000 | 34.6098 |
| 58.8000 | 33.7000 | 59.6000 | 34.5000 | 59.8000 | 34.6999 |
| 91.9000 | 41.6942 | 91.8000 | 41.6553 | 89.8000 | 39.6874 |
| 86.0000 | 40.1499 | 86.0000 | 40.0270 | 86.0000 | 40.0179 |
| 65.1000 | 38.8681 | 61.4000 | 35.1460 | 64.7000 | 38.4394 |
| 78.6000 | 33.6185 | 78.6000 | 33.5915 | 78.6000 | 33.7406 |
| 82.7000 | 40.8212 | 77.1000 | 35.1664 | 77.2000 | 35.2625 |
| 170.6000 | 71.0032 | 170.3000 | 70.4688 | 170.3000 | 70.3573 |
| 75.3000 | 39.9335 | 75.3000 | 39.8732 | 75.3000 | 39.8195 |
| 96.2000 | 445.2685 | 96.2000 | 45.2685 | 96.3000 | 45.3339 |
| 81.2000 | 38.2267 | 81.3000 | 38.3385 | 74.8000 | 31.9410 |
| 90.1000 | 49.6729 | 90.1000 | 49.6674 | 90.2000 | 49.8122 |
| 66.5000 | 31.7454 | 66.5000 | 31.7267 | 66.5000 | 31.7280 |

(continued)

Cleveland Metroparks
Property Tax Rates - Direct and Overlapping Governments (1) (Continued)
(Per \$1,000 of Assessed Valuation)
Last Six Years (2)

| | 2012 | | 2011 | | 2010 | |
|---|------------|----------------|------------|----------------|------------|----------------|
| | Gross Rate | Effective Rate | Gross Rate | Effective Rate | Gross Rate | Effective Rate |
| Joint Vocational Schools | | | | | | |
| Cuyahoga Valley | \$2.0000 | \$2.0000 | \$2.0000 | \$2.0000 | \$2.0000 | \$2.0000 |
| Polaris | 2.4000 | 2.0413 | 2.4000 | 2.1821 | 2.4000 | 2.0076 |
| Special Districts | | | | | | |
| Chagrin Falls Township Fire District | 0.8000 | 0.8000 | 0.8000 | 0.8000 | 0.8000 | 0.8000 |
| Cleveland Heights - University Heights Public Library | 7.8000 | 5.7108 | 7.8000 | 5.6651 | 7.8000 | 5.6651 |
| Cleveland Library | 6.8000 | 6.2210 | 6.8000 | 6.2177 | 6.8000 | 6.2168 |
| Cleveland Port Authority | 0.1300 | 0.1033 | 0.1300 | 0.1029 | 0.1300 | 0.1027 |
| Cuyahoga County Library | 2.5000 | 2.5000 | 2.5000 | 2.5000 | 2.5000 | 2.5000 |
| East Cleveland Library | 7.0000 | 6.4283 | 7.0000 | 6.3968 | 7.0000 | 6.3814 |
| Euclid Library | 4.0000 | 4.0000 | 4.0000 | 4.0000 | 3.5000 | 3.4743 |
| Lakewood Library | 3.5000 | 2.3751 | 3.5000 | 2.3552 | 35.0000 | 2.3537 |
| Rocky River Library | 6.1000 | 5.0526 | 6.1000 | 5.0286 | 6.1000 | 50.2450 |
| Shaker Heights Library | 4.0000 | 4.0000 | 4.0000 | 4.0000 | 4.0000 | 4.0000 |
| Westlake Library | 2.8000 | 2.8000 | 2.8000 | 2.7737 | 2.8000 | 2.8000 |

(1) Based on lower of Residential/Agricultural and Commercial/Industrial effective rates.

(2) Information prior to 2007 not available.

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Basic property tax rates may be increased only by a majority vote of the entity's residents.

Overlapping rates are those of local and county governments that apply to property owners within the entity. Real property tax rates are reduced so that inflationary increases in value do not generate additional revenue.

Source: Ohio Department of Taxation, Cuyahoga County Fiscal Officer

| 2009 | | 2008 | | 2007 | |
|------------|----------------|------------|----------------|------------|----------------|
| Gross Rate | Effective Rate | Gross Rate | Effective Rate | Gross Rate | Effective Rate |
| \$2.0000 | \$2.0000 | \$2.0000 | \$2.0000 | \$2.0000 | \$2.0000 |
| 2.4000 | 2.0000 | 2.4000 | 2.0000 | 2.4000 | 2.0000 |
| 0.8000 | 0.8000 | 0.8000 | 0.8000 | 0.8000 | 0.8000 |
| 7.8000 | 5.3894 | 5.9000 | 3.4793 | 5.9000 | 3.4762 |
| 6.8000 | 6.1703 | 6.8000 | 4.9006 | 6.8000 | 4.8883 |
| 0.1300 | 0.0947 | 0.1300 | 0.0946 | 0.1300 | 0.0946 |
| 2.5000 | 2.5000 | 2.0000 | 1.8086 | 2.0000 | 1.8093 |
| 7.0000 | 6.0101 | 7.0000 | 6.0080 | 4.0000 | 3.0034 |
| 3.5000 | 3.1234 | 3.5000 | 3.1204 | 3.5000 | 3.1185 |
| 3.5000 | 2.1997 | 3.5000 | 2.1935 | 3.5000 | 2.1904 |
| 6.1000 | 4.7476 | 6.1000 | 4.7376 | 6.1000 | 4.7368 |
| 4.0000 | 4.0000 | 4.0000 | 3.1836 | 4.0000 | 3.1779 |
| 2.8000 | 2.8000 | 2.5000 | 2.1276 | 2.5000 | 2.1278 |

Cleveland Metroparks
Property Tax Levies And Collections
Last Ten Years

| Collection Year | Current Tax Levy | Current Tax Collections | Percent of Current Tax Collections to Current Tax Levy | Delinquent Tax Collections | Total Tax Collections (1) |
|--------------------|------------------------|-------------------------------|--|----------------------------------|---------------------------------|
| 2012 | \$53,647,961 | \$48,470,731 | 90.35 % | \$2,563,887 | \$51,034,618 |
| 2011 | 53,363,730 | 48,633,300 | 91.14 | 2,079,658 | 50,712,958 |
| 2010 | 53,256,253 | 48,907,335 | 91.83 | 2,216,020 | 51,123,355 |
| 2009 | 52,769,307 | 48,792,957 | 92.46 | 2,134,819 | 50,927,776 |
| 2008 | 53,719,872 | 49,979,603 | 93.04 | 2,532,688 | 52,512,291 |
| 2007 | 55,092,213 | 51,169,706 | 92.88 | 2,721,084 | 53,890,790 |
| 2006 | 55,821,306 | 52,346,287 | 93.77 | 2,357,187 | 54,703,474 |
| 2005 | 56,307,611 | 52,867,967 | 93.89 | 2,344,607 | 55,212,574 |
| 2004 | 36,129,543 | 34,633,764 | 95.86 | 1,756,698 | 36,390,462 |
| 2003 | 36,144,427 | 33,956,338 | 93.95 | 1,447,364 | 35,403,702 |

Source: Cuyahoga County, Ohio; County Fiscal Officer

Note: The County is not able to identify delinquent collections by the year for which the tax was levied.

(1) State reimbursement of rollback and homestead exemptions are included.

| Percent of Total Tax Collections to Current Tax Levy | Accumulated Outstanding Delinquent Taxes | Percentage of Delinquent Taxes to Total Tax Levy |
|--|---|--|
| 95.13% | \$12,150,020 | 22.65% |
| 95.03 | 11,356,409 | 21.28 |
| 96.00 | 10,404,139 | 19.54 |
| 96.51 | 9,862,135 | 18.69 |
| 97.75 | 8,211,600 | 15.29 |
| 97.82 | 8,893,055 | 16.14 |
| 98.00 | 8,295,878 | 14.86 |
| 98.06 | 7,485,180 | 13.29 |
| 100.72 | 5,305,080 | 14.68 |
| 97.95 | 5,240,807 | 14.50 |

Cleveland Metroparks
Principal Real Property Taxpayers
2012 and 2003

| <i>2012</i> | | |
|---|----------------------------------|--|
| Taxpayer | Real Property Assessed Valuation | Percentage of Total Assessed Valuation |
| Cleveland Electric Illuminating Company | \$188,580,610 | 0.64 % |
| Cleveland Clinic Foundation | 149,237,200 | 0.51 |
| Key Center Properties, LLC | 68,697,720 | 0.23 |
| Beachwood Place, LTD | 65,324,350 | 0.22 |
| University Hospitals Health Systems, Inc. | 62,776,320 | 0.21 |
| Southpark Mall, LLC | 57,940,860 | 0.20 |
| East Ohio Gas Company | 51,819,260 | 0.18 |
| Cleveland Financial Associates, LLC | 47,990,600 | 0.16 |
| Eaton Corporation | 32,280,050 | 0.11 |
| Toledo-Lucas County Port Authority | 31,159,350 | 0.11 |
| Total | \$755,806,320 | 2.57 % |
| Total Real Property Assessed Valuation | \$29,391,899,120 | |

| <i>2003</i> | | |
|---|----------------------------------|--|
| Taxpayer | Real Property Assessed Valuation | Percentage of Total Assessed Valuation |
| Cleveland Electric Illuminating Company | \$139,228,120 | 0.43 % |
| Ohio Bell Telephone Company | 78,113,900 | 0.25 |
| City of Cleveland | 45,633,950 | 0.15 |
| Beachwood Place, LTD | 44,489,830 | 0.14 |
| Legacy Village Investors, LLC | 41,895,010 | 0.13 |
| National City Center, LLC | 28,000,000 | 0.09 |
| WEA Southpark, LLC | 27,489,000 | 0.09 |
| Progressive Casualty, Inc. | 27,274,280 | 0.09 |
| ISG Cleveland, Inc. | 27,261,680 | 0.09 |
| East Ohio Gas Company | 24,150,700 | 0.08 |
| Total | \$483,536,470 | 1.54 % |
| Total Real Property Assessed Valuation | \$31,373,045,416 | |

Cleveland Metroparks
Demographic and Economic Statistics
 December 31, 2012

| <u>Year</u> | <u>County Population (1)</u> | <u>MSA</u> | <u>Personal Income</u> | <u>Per Capita Personal Income</u> |
|-------------|------------------------------|------------|------------------------|-----------------------------------|
| 2012 | 1,265,111 | 1,779,827 | \$33,917,625,910 | \$26,810 |
| 2011 | 1,270,294 | 1,766,669 | 33,361,731,322 | 26,263 |
| 2010 | 1,280,122 | 1,775,884 | 33,353,412,000 | 26,055 |
| 2009 | 1,275,709 | 1,783,918 | 33,353,411,805 | 26,145 |
| 2008 | 1,283,925 | 1,783,918 | 32,464,043,625 | 25,285 |
| 2007 | 1,295,958 | 1,794,211 | 33,344,999,340 | 25,730 |
| 2006 | 1,314,241 | 1,812,162 | 32,421,011,229 | 24,669 |
| 2005 | 1,335,317 | 1,830,011 | 31,936,776,689 | 23,917 |
| 2004 | 1,351,009 | 1,842,749 | 31,750,062,509 | 23,501 |
| 2003 | 1,363,888 | 1,848,348 | 30,686,116,112 | 22,499 |

AGE DISTRIBUTION (2)

| | <u>Number</u> | <u>Percentage</u> |
|-----------------|------------------|-------------------|
| Under 5 years | 75,390 | 5.9% |
| 5 – 9 yrs | 77,687 | 6.0 |
| 10 – 14 yrs | 85,049 | 6.7 |
| 15 – 19 yrs | 91,225 | 7.1 |
| 20 – 24 yrs | 77,601 | 6.0 |
| 25 – 34 yrs | 158,330 | 12.3 |
| 35 – 44 yrs | 163,903 | 12.8 |
| 45 – 54 yrs | 198,103 | 15.4 |
| 55 – 59 yrs | 87,255 | 6.8 |
| 60 – 64 yrs | 72,258 | 5.6 |
| 65 – 74 yrs | 94,856 | 7.4 |
| 75 – 84 yrs | 71,287 | 5.5 |
| 85 yrs and over | 32,335 | 2.5 |
| TOTAL | 1,285,279 | 100.0% |
| Median age | | 40 |
| Males | | 609,670 |
| Females | | 675,609 |

DISTRIBUTION OF FAMILIES BY INCOME BRACKET (Average 3.06 persons) (3)

| <u>Income (2)</u> | <u>Number</u> | <u>Percentage</u> |
|-------------------------|------------------|-------------------|
| \$0 – 14,999 | \$32,876 | 10.4% |
| \$15,000 – 24,999 | 27,074 | 8.6 |
| \$25,000 – 49,999 | 74,461 | 23.5 |
| \$50,000 – 99,999 | 104,648 | 33.1 |
| \$100,000 -199,999 | 61,551 | 19.4 |
| OVER \$200,000 | 15,723 | 5.0 |
| TOTAL | \$316,333 | 100.0% |
| MEDIAN FAMILY IN | \$59,213 | |

Sources:

- (1) Ohio Department of Development – The Metropolitan Statistical Area (MSA), as defined by the Department of Development, includes Lake, Geauga, Medina and Cuyahoga Counties. Population totals for 2003 are estimates provided by the U.S. Census Bureau.
- (2) U. S. Census Bureau, Census 2010
- (3) U. S. Census Bureau, Census 2010

Cleveland Metroparks
Demographic and Economic Statistics (continued)
 December 31, 2012

Unemployment Rates (Last Ten Years)

| Year | Cuyahoga County | Ohio | United States |
|------|--------------------|------|------------------|
| 2012 | 8.3% | 6.7% | 7.9% |
| 2011 | 8.0 | 8.1 | 8.5 |
| 2010 | 8.6 | 9.6 | 9.4 |
| 2009 | 9.0 | 10.9 | 10.0 |
| 2008 | 7.1 | 7.6 | 7.1 |
| 2007 | 6.1 | 5.8 | 4.8 |
| 2006 | 5.5 | 5.5 | 4.6 |
| 2005 | 5.9 | 5.9 | 4.9 |
| 2004 | 6.3 | 5.5 | 5.5 |
| 2003 | 6.2 | 6.0 | 5.7 |

Employment - Annual Average (Last Ten Years)

| Year | Total Employed | Total Unemployed | Total Civilian Labor Force |
|------|-------------------|---------------------|----------------------------------|
| 2012 | 616,195 | 54,758 | 670,953 |
| 2011 | 617,206 | 47,171 | 664,377 |
| 2010 | 574,632 | 54,068 | 628,700 |
| 2009 | 564,837 | 55,863 | 620,700 |
| 2008 | 599,762 | 45,838 | 645,600 |
| 2007 | 617,674 | 40,126 | 657,800 |
| 2006 | 626,913 | 36,487 | 663,400 |
| 2005 | 632,454 | 37,146 | 669,600 |
| 2004 | 622,730 | 41,870 | 664,600 |
| 2003 | 633,525 | 41,875 | 675,400 |

Source: Ohio Department of Job and Family Services

Cleveland Metroparks

Principal Employers

2012 and 2003

2012

| Employer | Nature of Business | Employees |
|------------------------------------|------------------------------------|-----------|
| Cleveland Clinic Health System | Health Care System | 33,000 |
| University Hospitals Health System | Health Care System | 15,123 |
| Giant Eagle Inc. | Grocery Store Chain | 10,398 |
| Progressive Corporation | Insurance Provider | 8,766 |
| Group Management Services, Inc. | Professional Employer Organization | 7,403 |
| General Motors Corporation | Automotive Parts | 7,000 |
| Summa Health System | Health Care System | 6,156 |
| KeyCorp | Bank-Based Financial Services | 5,983 |
| FirstEnergy Corp | Electric Company | 5,349 |
| MetroHealth System | Health Care System | 5,238 |

2003

| Employer | Nature of Business | Employees |
|---|-------------------------------|-----------|
| Cleveland Clinic Health System | Health Care System | 23,567 |
| University Hospitals Health System | Health Care System | 14,270 |
| Progressive Corporation | Insurance Provider | 7,557 |
| KeyCorp | Bank-Based Financial Services | 7,381 |
| Ford Motor Company | Automobile Manufacturer | 6,765 |
| MetroHealth System | Health Care System | 5,411 |
| National City Corporation | Financial Services | 5,400 |
| Case Western Reserve University | Higher Education | 5,249 |
| Continental Airlines | Airline | 3,363 |
| General Motors Metal Fabricating Division | Automotive Parts | 2,816 |

Source: Crain's Cleveland Business Magazine

Cleveland Metroparks

Full-Time Equivalent Metroparks Employees by Division Last Ten Years

| Division | 2012 | 2011 | 2010 | 2009 |
|-----------------|--------------|--------------|--------------|--------------|
| Park Operations | 213.4 | 222.4 | 222.4 | 223.2 |
| Zoo | 250.1 | 258.7 | 252.1 | 248.6 |
| Golf | 107.6 | 123.1 | 104.0 | 104.9 |
| Rangers | 83.2 | 85.9 | 85.8 | 87.0 |
| Administration | 186.2 | 170.6 | 153.3 | 151.2 |
| Total | <u>840.5</u> | <u>860.7</u> | <u>817.6</u> | <u>814.9</u> |
| Percent Change | (2.3%) | 5.3% | 0.3% | (0.3%) |

Source: Cleveland Metroparks Payroll Department

Method: A full-time equivalent (FTE) is one full calendar year of paid employment, or the equivalent of 2,088 hours (the number of available work hours in a year)

| 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| 224.8 | 223.5 | 223.7 | 220.0 | 216.9 | 215.8 |
| 253.9 | 253.6 | 248.9 | 244.5 | 237.0 | 228.1 |
| 102.1 | 102.6 | 104.8 | 102.9 | 93.8 | 96.3 |
| 87.3 | 87.2 | 86.8 | 85.5 | 85.0 | 86.7 |
| 149.3 | 150.1 | 151.3 | 149.7 | 147.6 | 152.7 |
| <u>817.4</u> | <u>817.0</u> | <u>815.5</u> | <u>802.6</u> | <u>780.3</u> | <u>779.6</u> |
| 0.0% | 0.2% | 1.6% | 2.9% | 0.1% | N/A |

Cleveland Metroparks

Operating Indicators

Last Ten Years

| Function/Program | 2012 | 2011 | 2010 | 2009 |
|---------------------------------------|-----------|-----------|-----------|-----------|
| Affiliate Visitation | 320,616 | 347,208 | 369,533 | 386,959 |
| Water Safety Division | | | | |
| Hinckley Dam | 69,597 | 63,527 | 51,922 | 54,275 |
| Huntington Beach | 211,145 | 215,309 | 270,318 | 242,919 |
| Ledge Lake pool | 42,337 | 45,655 | 44,127 | 32,297 |
| Wallace Lake | 18,804 | 16,046 | 38,152 | 50,371 |
| The Chalet | | | | |
| Public admissions | 30,127 | 31,652 | 39,429 | 31,059 |
| Private rentals | 15,477 | 15,185 | 13,298 | 14,937 |
| General use | 0 | 0 | 0 | 0 |
| Golf Services | | | | |
| Golfers at 9 holes | 372,811 | 305,494 | 323,741 | 351,532 |
| Natural Resources | | | | |
| Fishing experiences and programs | 13,420 | 8,324 | 8,301 | 10,064 |
| Outdoor Education | | | | |
| Walk ins | 272,903 | 254,741 | 270,527 | 270,856 |
| Programs | 157,851 | 148,612 | 161,976 | 160,712 |
| Institute of the Great Outdoors (IGO) | 3,456 | 3,554 | 2,880 | 2,358 |
| Historical interpretation | 6,754 | 1,043 | 1,101 | 4,072 |
| Nature tracks mobile education unit | 25,995 | 21,182 | 19,565 | 21,807 |
| Youth outdoors | 8,636 | 8,377 | 9,898 | 9,990 |
| Ranger Department | | | | |
| Programs | 20,424 | 5,846 | 5,901 | 2,868 |
| Parades | 100,000 | 102,885 | 103,050 | 202,118 |
| Visitor Services | | | | |
| Reserved group picnic areas | 123,665 | 113,232 | 107,441 | 88,956 |
| Reserved fields (multi-purpose) | 35,970 | 30,402 | 24,946 | 22,680 |
| Emerald Necklace Marina | 7,901 | 8,627 | 9,820 | 10,400 |
| Nature centers | 0 | 0 | 0 | 0 |
| Camps | 0 | 8,317 | 7,290 | 11,829 |
| Other (special non-exclusive uses) | 126,343 | 119,767 | 175,481 | 137,770 |
| Marketing | | | | |
| Special Events | 71,855 | 68,127 | 72,346 | 71,493 |
| Cleveland Metroparks Zoo | | | | |
| Zoo/Rainforest | 1,170,443 | 1,318,458 | 1,130,518 | 1,154,607 |
| Private events/rentals | 0 | 21,036 | 34,210 | 29,014 |
| Education/outreach | 1,704 | 35,350 | 48,583 | 57,310 |

Source: Cleveland Metroparks Marketing Department

| 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|-----------|-----------|-----------|-----------|-----------|-----------|
| 367,467 | 341,836 | 328,517 | 346,466 | 314,863 | 300,944 |
| 54,275 | 54,275 | 32,743 | 32,743 | 32,743 | 56,500 |
| 242,919 | 242,918 | 181,988 | 181,988 | 181,988 | 183,243 |
| 29,020 | 28,045 | 9,892 | 9,892 | 9,892 | 6,780 |
| 50,371 | 50,371 | 9,375 | 9,375 | 9,375 | 30,818 |
| 29,482 | 26,476 | 21,941 | 22,272 | 30,602 | 33,688 |
| 14,440 | 14,413 | 18,368 | 20,534 | 20,740 | 22,095 |
| 0 | 0 | 0 | 631 | 723 | 4,732 |
| 344,325 | 355,384 | 346,171 | 335,089 | 364,020 | 364,482 |
| 14,742 | 5,880 | 2,516 | 4,952 | 2,350 | 514 |
| 246,724 | 227,002 | 241,032 | 251,815 | 295,754 | 257,639 |
| 152,944 | 183,030 | 158,993 | 135,017 | 158,970 | 155,126 |
| 2,929 | 3,599 | 5,044 | 9,106 | 6,021 | 3,960 |
| 8,950 | 15,615 | 16,307 | 10,600 | 16,077 | 12,092 |
| 17,584 | 20,652 | 30,800 | 32,708 | 32,318 | 25,656 |
| 9,810 | 9,935 | 9,635 | 8,207 | 8,302 | 7,259 |
| 3,424 | 3,339 | 3,063 | 6,969 | 14,650 | 16,234 |
| 154,193 | 115,929 | 116,881 | 105,050 | 2,900 | 0 |
| 97,229 | 101,156 | 104,289 | 104,153 | 102,825 | 100,354 |
| 33,905 | 22,465 | 24,510 | 33,165 | 48,448 | 54,665 |
| 11,977 | 14,202 | 10,043 | 9,761 | 8,869 | 11,590 |
| 0 | 0 | 0 | 181 | 770 | 1,076 |
| 12,304 | 8,570 | 13,083 | 4,866 | 0 | 0 |
| 175,136 | 162,084 | 139,349 | 105,758 | 104,627 | 68,690 |
| 62,538 | 47,594 | 34,498 | 29,739 | 37,537 | 34,457 |
| 1,162,850 | 1,185,972 | 1,156,459 | 1,081,331 | 1,230,239 | 1,325,186 |
| 32,865 | 32,040 | 36,118 | 28,207 | 43,280 | 40,385 |
| 67,170 | 55,867 | 39,693 | 30,749 | 36,844 | 41,872 |

Cleveland Metroparks
Capital Assets Statistics by Function
Last Ten Years

| Function | 2012 | 2011 | 2010 | 2009 |
|--------------------------------|---------|---------|---------|---------|
| Building Square Footage | | | | |
| Administration | 29,746 | 29,489 | 29,408 | 29,408 |
| Maintenance | 738,231 | 709,540 | 707,143 | 703,219 |
| Ranger | 48,449 | 48,449 | 48,449 | 49,505 |
| Zoo | 396,544 | 358,342 | 334,065 | 327,052 |
| Golf | 172,881 | 122,764 | 110,394 | 109,194 |

Source: Cleveland Metroparks Department of Finance

| <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> | <u>2004</u> | <u>2003</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 29,408 | 29,408 | 29,408 | 29,275 | 29,275 | 24,837 |
| 659,154 | 647,695 | 651,533 | 639,148 | 641,768 | 561,326 |
| 45,557 | 47,648 | 49,121 | 49,057 | 49,057 | 36,377 |
| 323,769 | 338,032 | 335,562 | 336,342 | 336,342 | 329,979 |
| 108,795 | 103,326 | 97,948 | 84,819 | 91,058 | 80,182 |

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**Cleveland
Metroparks**

clevelandmetroparks.com

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Dave Yost • Auditor of State

CLEVELAND METROPOLITAN PARK DISTRICT

CUYAHOGA 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
JULY 11, 2013**