428 Second St.
Marietta, OH 45750
740.373.0056

1907 Grand Central Avenue
Vienna, WV 26105
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569

PERRY & Associates
Certified Public Accountants, A.C.

COLUMBUS AND FRANKLIN COUNTY METROPOLITAN PARK DISTRICT FRANKLIN COUNTY

Single Audit

For the Year Ended December 31, 2015

Dave Yost · Auditor of State

Board of Commissioners
Columbus and Franklin County Metropolitan Park District
1069 West Main Street
Westerville, Ohio 43081

We have reviewed the *Independent Auditors' Report* of the Columbus and Franklin County Metropolitan Park District, Franklin County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2015 through December 31, 2015. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Dave Yost
Auditor of State

November 15, 2016

This page intentionally left blank.

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT

Table of Contents

TITLE **PAGE**

Table of Contents

PERRY & Associates
Certified Public Accountants, A.C.

428 Second St.
Marietta, OH 45750
740.373.0056

1907 Grand Central Ave.
Vienna, WV 26105
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569

INDEPENDENT AUDITOR'S REPORT

August 26, 2016

Columbus and Franklin County Metropolitan Park District
Franklin County
1069 West Main Street
Westerville, OH 43081

To the Board of Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Columbus and Franklin County Metropolitan Park District**, Franklin County, Ohio (the District), as of and for the year ended December 31, 2015, 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 audited 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Columbus and Franklin County Metropolitan Park District, Franklin County, Ohio, as of December 31, 2015, and the respective changes in financial position thereof and the respective budgetary comparisons for the General and Golf Course Special Revenue Funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during the year ended December 31, 2015, the District adopted Governmental Accounting Standard Board (*GASB*) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

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*, schedules of net pension liabilities and pension contributions 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 Districts basic financial statements taken as a whole.

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

The schedule is management's responsibility, and derives from and relates directly to the underlying accounting and other records 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 the 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2016, 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.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

The discussion and analysis of the Columbus and Franklin County Metropolitan Park District's (the "District") financial performance provides an overall review of the District's financial activities for the year ended December 31, 2015. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the financial statements and the Notes to the Basic Financial Statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

The District's total net position increased $8,437,629 during 2015. The increase was mostly a result of additions to capital assets outpacing current year depreciation. Revenues continue to outpace expenses and, as a result, the District has built up cash balances in anticipation of future spending related to ongoing capital projects.

General revenues of governmental activities accounted for $24,899,713 of all governmental revenues. Program specific revenues in the form of charges for services, grants, contributions, and interest accounted for $1,681,095 of total governmental revenues of $26,580,808.

The District had $18,143,179 in expenses related to governmental activities. $1,681,095 of these expenses were offset by program specific charges for services, grants, contributions, and interest. General revenues (primarily property taxes and grants and entitlements not restricted) of $24,899,713 were more than adequate to provide for these programs.

USING THIS ANNUAL FINANCIAL REPORT

This annual report consists of a series of financial statements. These statements are organized so that the reader can understand the Columbus and Franklin County Metropolitan Park District's financial situation as a whole and also give a detailed view of the District's financial condition.

The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. The fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term, as well as the amount of funds available for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column.

REPORTING THE DISTRICT AS A WHOLE

One of the most important questions asked about the District is "How did we do financially during 2015?" The Statement of Net Position and the Statement of Activities, which appear first in the District's financial statements, report information on the District as a whole and its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in position. This change in net position is important because it informs the reader that, for the District as a whole, the financial position of the District has improved or diminished. In evaluating the overall financial health, the reader of these financial statements needs to take into account non-financial factors that also impact the District's financial well-being. Some of these factors include the District's tax base and the condition of capital assets.

In the Statement of Net Position and the Statement of Activities, the District has only one kind of activity.

> Governmental Activities – All of the District's services are reported here, including administrative services, education, park operations, park planning, park promotion, rental property, natural resource management, golf course operations, and park safety.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The analysis of the District's major funds begins on page eleven. Fund financial reports provide detailed information about the District's major funds, not the District as a whole. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's major funds. The District's major funds are the General Fund, the Golf Course Special Revenue Fund, and the Capital Improvement Capital Projects Fund.

Governmental Funds – All of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

THE DISTRICT AS A WHOLE

As stated previously, the Statement of Net Position provides the perspective of the District as a whole. Table 1 provides a summary of the District's net position for 2015 compared to 2014.

Table 1
Net Position

	Governmental Activities		
	2015	Restated 2014	Increase (Decrease)
Assets			
Current And Other Assets	$33,874,340	$35,834,445	($1,960,105)
Land, Wetlands, Land Restoration and Construction In Progress	163,710,461	158,987,861	4,722,600
Depreciable Capital Assets, Net	54,465,683	48,538,280	5,927,403
Total Assets	252,050,484	243,360,586	8,689,898
Deferred Outflows of Resources			
Pension	1,652,760	1,075,626	577,134
Liabilities			
Current and Other Liabilities	1,220,455	882,813	337,642
Long-Term Liabilities:			
Due Within One Year	352,630	388,880	(36,250)
Due In More Than One Year:			
Net Pension Liability	8,853,926	8,653,945	199,981
Other Amounts	488,100	431,009	57,091
Total Liabilities	10,915,111	10,356,647	558,464
Deferred Inflow of Resources			
Property Taxes	17,955,737	17,840,344	115,393
Pension	155,546	0	155,546
Total Deferred Inflows of Resources	18,111,283	17,840,344	270,939
Net Position			
Invested In Capital Assets	217,654,408	207,226,728	10,427,680
Restricted For:			
Capital Outlay	903,496	652,148	251,348
Educational Programs:			
Expendable	114,969	107,635	7,334
Nonexpendable	97,796	97,796	0
Gardens At Inniswood - Nonexpendable	452,558	452,558	0
Unrestricted	5,453,623	7,702,356	(2,248,733)
Total Net Position	$224,676,850	$216,239,221	$8,437,629

-

During 2015, the District adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the new standards required by GASB 68, the net pension liability equals the District's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service;
2. Minus plan assets available to pay these benefits.

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the District is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the District's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows.

As a result of implementing GASB 68, the District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation had the effect of restating net position at December 31, 2014, from $223,817,540 to $216,239,221 for governmental activities.

Total assets increased $8,689,898. This increase was due to land purchases and construction in progress relating to the completion of, and continuing construction of, various projects. Land, Wetlands, Land Restoration and Construction in Progress increased $4,722,600 mainly due to the acquisition of land and the continued development of existing parks, including infrastructure.

Current and other liabilities increased $337,642 primarily due to an increase in retainage payable related to capital projects.

Invested in capital assets increased $10,427,680. This is primarily due to current year capital assets additions exceeding current year depreciation. Land, construction in progress, and infrastructure, which includes roads and trails, experienced the largest increases.

Unrestricted net position decreased $2,248,733. This is mainly due to a decrease in Cash and Cash Equivalents. This reduction in cash is mainly due to the District acquiring land along with spending monies for the continuing development of new or existing parks, including infrastructure assets.

Table 2 shows the changes in net position for the years ended December 31, 2015 and 2014.

Table 2
Changes In Net Position

	2015	2014	Increase/ (Decrease)
Revenues			
Program Revenues:			
Charges For Services	$1,570,131	$1,566,097	$4,034
Operating Grants, Contributions, And Interest	110,964	59,010	51,954
Total Program Revenues	1,681,095	1,625,107	55,988
General Revenues:			
Property Taxes	17,173,657	17,091,700	81,957
Unrestricted Investment Earnings	29,642	39,351	(9,709)
Grants And Entitlements Not Restricted To Specific Programs:			
Operating	4,424,094	4,152,793	271,301
Capital	2,750,373	2,328,909	421,464
Contributions And Donations	0	59,723	(59,723)
Gain on Sale of Capital Assets	58,273	0	58,273
Miscellaneous	63,674	276,744	(213,070)
Extraordinary Item	400,000	0	400,000
Total General Revenues	24,899,713	23,949,220	950,493
Total Revenues	$26,580,808	$25,574,327	$1,006,481

(Continued)

Table 2
Changes In Net Position
(Continued)

	2015	2014	Increase/ (Decrease)
Program Expenses			
Administration	$2,658,604	$3,117,815	($459,211)
Education	3,053,211	3,013,999	39,212
Park Operations	7,547,632	9,386,819	(1,839,187)
Park Planning	228,363	209,436	18,927
Park Promotion	666,664	724,919	(58,255)
Rental Property	380,323	490,184	(109,861)
Natural Resource Management	391,268	439,580	(48,312)
Golf Course	435,032	460,853	(25,821)
Park Safety	2,782,082	2,822,709	(40,627)
Total Expenses	18,143,179	20,666,314	(2,523,135)
Change In Net Position	8,437,629	4,776,523	$3,661,106
Net Position At Beginning Of Year - Restated	216,239,221	N/A	
Net Position At End Of Year	$224,676,850	$216,239,221	

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of $1,075,626 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of $958,734. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

	Governmental Activities
Total 2015 program expenses under GASB 68	$18,143,179
Pension expense under GASB 68	(958,734)
2015 contractually required contribution	1,180,341
Adjusted 2015 program expenses	18,364,786
Total 2014 program expenses under GASB 27	20,666,314
Increase/Decrease in program expenses not related to pension	($2,301,528)

GOVERNMENTAL ACTIVITIES

Program revenues, which are primarily represented by charges for District services, fines, and charges generated by the golf course, as well as restricted intergovernmental revenues, restricted interest earnings, and restricted donations, were $1,681,095 of total revenues for 2015 and were slightly higher than 2014.

As previously mentioned, general revenues were $24,899,713 of total revenues for 2015. This is a $950,493 increase from the prior year. Part of the increase is in operating grants and entitlements not restricted to specific programs. This increase was a result of the District receiving payments according to contractual agreements from local cities and townships to help with the acquisition of land for parks. $400,000 of this increase was from a lawsuit that went in favor of the District which will be discussed in the notes to the financial statements.

Governmental program expenses as a percentage of total governmental expenses for 2015 are expressed as follows:

Administration	14.65%
Education	16.82
Park Operations	41.60
Park Planning	1.26
Park Promotion	3.67
Rental Property	2.10
Natural Resource Management	2.16
Golf Course	2.40
Park Safety	15.34
	100.00%

The above chart clearly indicates that the District's major source of expenses, 41.60 percent, is related to park operations. All other forms of governmental operations represent 58.40 percent of expenses.

THE DISTRICT'S FUNDS

Information about the District's major governmental funds begins on page 18. All governmental funds had total revenues of $26,204,085 and expenditures of $29,009,351.

The General Fund balance increased $1,348,425 mainly due to the extraordinary item that occurred during 2015.

The Golf Course Special Revenue Fund balance decreased $24,619.

The Capital Improvement Capital Projects Fund balance decreased $3,691,755 as a result of the District spending resources associated with the acquisition of land along with the starting and/or completion of several capital improvement projects, including infrastructure, during 2015.

GENERAL FUND BUDGETING HIGHLIGHTS

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of receipts, disbursements, and encumbrances. The District's budget is adopted on a fund basis. Before the budget is adopted, the Board reviews detailed budget worksheets of each program within the General Fund and then adopts the budget on a fund basis.

Original and final General Fund budgeted revenues were $22,036,859. Actual revenues were more than final budgeted revenues by $708,930, which is mostly due to actual intergovernmental revenues being more than the budgeted amounts.

During 2015, the General Fund operated on one appropriation measure. Actual expenditures were less than the final budgeted expenditures by $1,683,361 due to the District reducing actual expenditures in several areas. This was a result of the District carefully monitoring its spending.

The General Fund's ending fund balance was $6,969,539 above the final budgeted amount. This was mainly due to transfers out that were budgeted for but were not needed.

DEBT

In 2015, the District had no outstanding debt obligations.

CAPITAL ASSETS

At the end of 2015, the District had $218,176,144 invested in capital assets (net of accumulated depreciation) for governmental activities, an increase of $10,650,003 from the prior year. The increase in capital assets is primarily related to an increase in land, construction in progress for various projects, buildings and equipment additions, and the continuing development of infrastructure additions and improvements, including roads and trails.

See Note 8 of the Notes to the Basic Financial Statements for more detailed capital assets information.

CURRENT ISSUES

The mission of Metro Parks is to conserve open spaces, while providing places and opportunities that encourage people to discover and experience nature.

Metro Parks continues to maintain a stable financial base. The two main sources of revenue, the 2009 levy and local government funds, met the budget for the year. Metro Parks also continues to maintain a lean operational profile while providing the residents of Franklin County the high quality parks they have come to expect.

The Year in Review – 2015

While following that mission, 2015 was a year to remember. The tremendous growth and enduring popularity of Metro Parks is due to the strong support of the community – as voters, as volunteers and as visitors.

In August, the 17th Metro Park, Rocky Fork opened to a crowd of well-wishers. Rocky Fork is a collaborative effort between the City of Columbus, Plain Township, and the City of New Albany. The park is on pace to have over 60,000 visitors this year alone. Our visitors are experiencing over 1,000 acres of woods, trails, wetlands, and an amazing dog park. In addition to these amenities, visitors are enjoying the pet friendly trails, fitness opportunities, and one of the most amazing picnic pavilions in our inventory. With over $12 million invested by our partners for acquisition, design, and development, Metro Parks can now serve a new and growing area of Franklin County.

Even though we did not acquire large amounts of acreage in 2015, many significant pieces of land were added, bringing our total land holding to 27,405 acres. Efforts in this area include land along Big Darby Creek and other holdings which complement our existing parks and trails.

The Central Ohio Greenways continue to be one of our key areas of focus and we are seeing continued rises in participation and satisfaction. Several key initiatives were completed in 2015 including; the Central Ohio Greenways study, opening of the final section of the Alum Creek Trail, re-opening of the Scioto Mile with multi-use trails on both sides of the river, and increasing participation/growth from our municipal partners.

On September 1, 2015 the former Washington Township Park became Homestead Metro Park. In a partnership with the Township Trustees, the ownership and operations of this long-standing community asset became the 18th Metro Park. With both active and passive play areas, trails, picnic facilities and a fishing pond, Homestead was a natural fit for us. Staff has already converted their office/meeting barn into a nature center serving the northwest section of Franklin County.

In 2015, Metro Parks expanded our efforts and partnership with the nature center located in Scioto Audubon Metro Park. In addition to some newly shared responsibilities for our maintenance staff, the Grange Insurance Audubon Center**,** GIAC, became the hub of our Greenways operations. Customers can now visit the center to get information, maps, and gain a better understanding of the Central Ohio Greenways. In addition to the information, staff can meet with the users to help them discover a new trail or even assist in minor bike repairs.

In the spring of this year, ground was broken on what will become our 19th park serving the greater Grove City area. In addition to the traditional features common in all of our parks, Scioto Grove will take full advantage of it's almost five miles of frontage on the Scioto River. The park will also be home to our first Urban Backpacking Trail, giving Franklin County access to introductory backpacking trails just minutes from downtown.

Our educational opportunities continue to be an important part of our efforts in the community. Along with our naturalist led programs, we continue to see growth in our collaborative 5th grade educational outreach program. The Students Exploring Ecosystem Dynamics (SEED) is still growing throughout many of the Franklin County School Districts. In 2015, 8,000 5th graders from six school districts visited our parks.

This program continues to introduce Columbus Public High School seniors to a positive first job experience. Students in this program not only learn lifelong employment skills, but also provide an invaluable service to the park district. Metro Parks now has several former CSIs working year-round with us.

In the fall of 2015 Metro Parks opened an additional three miles of the trail, now linking western Franklin County to Sullivant Avenue. With the completion of this piece, Metro Parks has completed 12 miles of the trail. The City of Columbus is on schedule to complete their section of trail connecting Sullivant Avenue to downtown Columbus. The Camp Chase Trail is one of the last remaining pieces in the soon to be completed Ohio to Erie Trail.

The Year Ahead – 2016

In keeping with our vision of clean and safe parks, our efforts will continue towards the overall customer satisfaction and experience. Within these parks the operational side of our budget will focus on park maintenance, patron safety, education, and the control of invasive species. Outside of operations we will continue looking at ways we can control costs while providing the proper level of support to the 19 parks. Listed below are just a few of the projects we are looking at in 2016.

In early spring 2016 we expect to complete our Strategic Plan. This plan is being constructed as a guiding document for staff to utilize in setting priorities and direction for the park district. Through a series of public meetings and customer surveys, staff will have a better understanding of what the residents of Franklin County are looking for in their park system. Along with the qualitative data gathered through existing users, the plan will also measure the general consensus of Franklin County voters through an independent survey. Once completed, the document will be reviewed annually for updating and to measure success.

A wide variety of capital projects are being contemplated for this 2016. Priority will be given to those projects which either meet our mission and/or vision. A more complete list can be found in the Capital Projects section of the budget. Examples of these capital projects include:

Reach 2 of Scioto Grove Metro Park **–** Project includes a 4-season public use structure, access to the quarry area of the park, a maintenance facility, and all associated utility work.

Battelle Darby Creek Park Maintenance Facility **–** Over the past several years it has become glaringly apparent that the current facility has out served its useful life.

Parking Lot and Park Roadway Projects **–** As the park system has grown, the assistance we receive from the state is not sufficient to maintain existing roads. Our goal is to utilize our own funds to assist in the maintenance of these roads.

Rocky Fork Metro Park **–** Similar to the efforts at Scioto Grove, additional user amenities and maintenance facilities will be brought forward as part of the 2016 budget.

Along with our capital program, we have identified other operational areas to address in the 2016 budget. Because of where we are with our Levy commitments, we are now in a place where we can address these opportunities. Additional staffing will be requested to take on the responsibility of opening Scioto Grove, expansion of the Greenways, and for assistance in our marketing and social media outreach. Other efforts in the 2016 budget will be utilized to continue providing excellent parks and the customer service needed.

CONTACTING THE DISTRICT'S FINANCE DEPARTMENT

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact William Ruff, Finance Director, Columbus and Franklin County Metropolitan Park District, 1069 West Main Street, Westerville, Ohio 43081.

Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY METROPOLITAN PARK DISTRICT

Statement of Net Position

December 31, 2015

	Governmental Activities
Assets:	
Equity in Pooled Cash and Cash Equivalents	$11,998,263
Property Tax Receivable	19,129,338
Due from Other Governments (See Note 7)	2,183,854
Prepaid Items	90,092
Cash and Cash Equivalents with Fiscal Agents	472,793
Land, Wetlands, Land Restoration and Construction In Progress (See Note 8)	163,710,461
Depreciable Capital Assets, Net (See Note 8)	54,465,683
Total Assets	252,050,484
Deferred Outflows of Resources:	
Pension (See Note 10)	1,652,760
Liabilities:	
Accounts Payable	49,780
Accrued Wages Payable	473,117
Contracts Payable	17,202
Matured Compensated Absences Payable	8,604
Retainage Payable	504,534
Due To Other Governments	167,218
Long-Term Liabilities:	
Due Within One Year (See Note 13)	352,630
Due In More Than One Year: (See Note 13)	
Net Pension Liability	8,853,926
Other Amounts	488,100
Total Liabilities	10,915,111
Deferred Inflows of Resources:	
Property Taxes	17,955,737
Pension (See Note 10)	155,546
Total Deferred Inflows of Resource	18,111,283
Net Position:	
Investment in Capital Assets	217,654,408
Restricted for:	
Capital Outlay	903,496
Educational Programs:	
Expendable	114,969
Nonexpendable	97,796
Gardens at Inniswood - Nonexpendable	452,558
Unrestricted	5,453,623
Total Net Position	$224,676,850

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY METROPOLITAN PARK DISTRICT
Statement of Activities
For the Year Ended December 31, 2015

		Program Revenues		Net (Expense) Revenue And Changes In Net Position
	Expenses	**Charges For Services**	**Operating Grants, Contributions, And Interest**	**Governmental Activities**
Governmental Activities:				
Administration:				
Salaries and Benefits	$1,992,584	$0	$0	($1,992,584)
All Other	666,020	0	29,025	(636,995)
Education	3,053,211	118,191	3,512	(2,931,508)
Park Operations	7,547,632	0	78,427	(7,469,205)
Park Planning	228,363	0	0	(228,363)
Park Promotion	666,664	0	0	(666,664)
Rental Property	380,323	539,595	0	159,272
Natural Resource Management	391,268	0	0	(391,268)
Golf Course	435,032	911,223	0	476,191
Park Safety	2,782,082	1,122	0	(2,780,960)
Total Governmental Activities	$18,143,179	$1,570,131	$110,964	(16,462,084)
		General Revenues:		
		Property Taxes		17,173,657
		Unrestricted Investment Earnings		29,642
		Grants and Entitlements Not Restricted To Specific Programs:		
		Operating		4,424,094
		Capital		2,750,373
		Gain on Sale of Capital Assets		58,273
		Miscellaneous		63,674
		Extraordinary Item		400,000
		Total General Revenues		24,899,713
		Change in Net Position		8,437,629
		Net Position at Beginning of Year Restated (See Note 3)		216,239,221
		Net Position at End of Year		$224,676,850

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Balance Sheet
Governmental Funds
December 31, 2015

	General	*Golf Course*	*Capital Improvement*	*Nonmajor Governmental Funds*	*Total Governmental Funds*
Assets:					
Equity in Pooled Cash and Cash Equivalents	$9,627,878	$73,234	$1,717,861	$579,290	$11,998,263
Cash and Cash Equivalents with Fiscal Agents	5,000	0	0	467,793	472,793
Receivables:					
Property Taxes	19,129,338	0	0	0	19,129,338
Due from Other Governments (See Note 7)	2,183,375	0	479	0	2,183,854
Prepaid Items	89,906	186	0	0	90,092
Advances to Other Funds	26,400	0	0	0	26,400
Total Assets	$31,061,897	$73,420	$1,718,340	$1,047,083	$33,900,740
Liabilities:					
Accounts Payable	$43,128	$1,916	$4,736	$0	$49,780
Accrued Wages Payable	447,372	25,745	0	0	473,117
Contracts Payable	0	0	17,202	0	17,202
Matured Compensated Absences Payable	8,604	0	0	0	8,604
Retainage Payable	0	0	504,534	0	504,534
Due to Other Governments	158,297	8,921	0	0	167,218
Advances to Other Funds	0	26,400	0	0	26,400
Total Liabilities	657,401	62,982	526,472	0	1,246,855
Deferred Inflows of Resources:					
Property Taxes	17,955,737	0	0	0	17,955,737
Unavailable Revenue	3,155,429	0	479	0	3,155,908
Total Deferred Inflows of Resources	21,111,166	0	479	0	21,111,645
Fund Balances: (See Note 17)					
Nonspendable	116,306	186	0	550,354	666,846
Restricted	0	0	0	496,729	496,729
Commited	0	10,252	0	0	10,252
Assigned	67,727	0	1,191,389	0	1,259,116
Unassigned	9,109,297	0	0	0	9,109,297
Total Fund Balances	9,293,330	10,438	1,191,389	1,047,083	11,542,240
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$31,061,897	$73,420	$1,718,340	$1,047,083	$33,900,740

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2015

Total Governmental Fund Balances		$11,542,240
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital Assests used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Land	136,837,143	
Wetlands	3,981,412	
Land Restoration	13,055,996	
Construction In Progress	9,835,910	
Other Capital Assets	95,069,096	
Accumulated Depreciation	(40,603,413)	
Total		218,176,144
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:		
Delinquent Property Taxes	989,805	
Due From Other Governments	2,166,103	
Total		3,155,908
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	1,652,760	
Deferred Inflows - Pension	(155,546)	
Net Pension Liability	(8,853,926)	
Total		(7,356,712)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Compensated Absences		(840,730)
Net Position of Governmental Activities		$224,676,850

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	General	Golf Course	Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property Taxes	$17,312,149	$0	$0	$0	$17,312,149
Intergovernmental	4,366,280	0	2,749,894	0	7,116,174
Charges for Services	118,191	636,975	0	0	755,166
Golf Course	0	37,053	0	0	37,053
Fines and Forfeitures	1,122	0	0	0	1,122
Investment Earnings	5,027	0	10,857	15,319	31,203
Rent	539,595	237,195	0	0	776,790
Contributions and Donations	11,252	0	67,175	32,327	110,754
Miscellaneous	20,855	5,092	37,727	0	63,674
Total Revenues	22,374,471	916,315	2,865,653	47,646	26,204,085
Expenditures:					
Current Operations and Maintenance:					
Administration:					
Salaries and Benefits	1,165,594	775,900	0	0	1,941,494
All Other	816,961	3,984	0	0	820,945
Education	2,389,999	0	0	0	2,389,999
Park Operations	7,099,143	22,950	0	11,287	7,133,380
Park Planning	189,462	0	41,690	0	231,152
Park Promotion	668,418	0	0	0	668,418
Rental Property	356,390	0	0	0	356,390
Natural Resource Management	387,501	0	0	0	387,501
Golf Course	34,940	253,100	0	0	288,040
Park Safety	2,980,461	0	0	0	2,980,461
Capital Outlay	645,853	0	11,165,718	0	11,811,571
Total Expenditures	16,734,722	1,055,934	11,207,408	11,287	29,009,351
Excess of Revenues Over (Under) Expenditures	5,639,749	(139,619)	(8,341,755)	36,359	(2,805,266)
Other Financing Sources (Uses):					
Extraordinary Item	400,000	0	0	0	400,000
Proceeds from Sale of Capital Assets	73,676	0	0	0	73,676
Transfers In (See Note 14)	0	115,000	4,650,000	0	4,765,000
Transfers Out (See Note 14)	(4,765,000)	0	0	0	(4,765,000)
Total Other Financing Sources (Uses)	(4,291,324)	115,000	4,650,000	0	473,676
Net Change in Fund Balances	1,348,425	(24,619)	(3,691,755)	36,359	(2,331,590)
Fund Balances at Beginning of Year	7,944,905	35,057	4,883,144	1,010,724	13,873,830
Fund Balances at End of Year	$9,293,330	$10,438	$1,191,389	$1,047,083	$11,542,240

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2015

Net Change in Fund Balances - Total Governmental Funds		($2,331,590)
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. In the current period, these amounts are:		
Capital Assets Additions	11,040,753	
Construction in Progress additions	2,680,046	
Depreciation	(3,055,393)	
Excess of Capital Asset Additions Over Depreciation Expense		10,665,406
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the Statement Of Activities, a gain or loss is reported for each sale.		
Proceeds From Sale Of Capital Assets	(73,676)	
Gain on Disposal Of Capital Assets	58,273	
Total		(15,403)
Because some revenues will not be collected for several months after the District's year ends, they are not considered "available" revenues and are therefore recorded as deferred inflows of resoruces in the funds. Deferred inflows of resources related to the following items changed by the amounts shown below:		
Delinquent Property Taxes	(138,492)	
Intergovernmental	58,293	
Accrued Interest	(1,351)	
Total		(81,550)
Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.		1,180,341
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the Statement of Activities.		(958,734)
Some items reported as expenses in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:		
Increase in Compensated Absences		(20,841)
Change In Net Position Of Governmental Activities		$8,437,629

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Year Ended December 31, 2015

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Property Taxes	$17,955,737	$17,955,737	$17,312,149	($643,588)
Intergovernmental	3,244,769	3,244,769	4,356,585	1,111,816
Charges for Services	154,436	154,436	118,191	(36,245)
Fines and Forfeitures	1,758	1,758	1,122	(636)
Investment Earnings	14,501	14,501	5,027	(9,474)
Rent	626,975	626,975	539,595	(87,380)
Contributions and Donations	33,994	33,994	11,252	(22,742)
Miscellaneous	4,689	4,689	401,868	397,179
Total Revenues	22,036,859	22,036,859	22,745,789	708,930
Expenditures:				
Current Operations and Maintenance:				
Administration:				
Salaries and Benefits	1,252,388	1,252,388	1,149,246	103,142
All Other	1,080,013	1,080,013	861,386	218,627
Education	2,598,430	2,598,430	2,373,553	224,877
Park Operations	7,807,774	7,807,774	7,078,774	729,000
Park Planning	212,982	212,982	195,237	17,745
Park Promotion	715,314	715,314	658,136	57,178
Rental Property	406,740	406,740	346,320	60,420
Natural Resource Management	487,987	487,987	400,157	87,830
Golf Course	34,250	34,250	36,072	(1,822)
Park Safety	3,307,521	3,307,521	2,956,215	351,306
Capital Outlay	480,911	480,911	645,853	(164,942)
Total Expenditures	18,384,310	18,384,310	16,700,949	1,683,361
Excess of Revenues Over Expenditures	3,652,549	3,652,549	6,044,840	2,392,291
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	8,205	8,205	73,676	65,471
Advances - In	0	0	6,600	6,600
Advances - Out	0	0	(33,000)	(33,000)
Refund of Prior Year Receipts	(13,000)	(13,000)	(10,070)	2,930
Refund of Prior Year Expenditures	6,740	6,740	18,987	12,247
Transfers Out	(9,288,000)	(9,288,000)	(4,765,000)	4,523,000
Total Other Financing Sources (Uses)	(9,286,055)	(9,286,055)	(4,708,807)	4,577,248
Net Change in Fund Balance	(5,633,506)	(5,633,506)	1,336,033	6,969,539
Fund Balance at Beginning of Year	8,113,125	8,113,125	8,113,125	0
Prior Year Encumbrances Appropriated	91,747	91,747	91,747	0
Fund Balance at End of Year	$2,571,366	$2,571,366	$9,540,905	$6,969,539

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Golf Course Special Revenue Fund
For the Year Ended December 31, 2015

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Charges for Services	$574,400	$574,400	$37,053	($537,347)
Golf Course	123,500	123,500	636,975	513,475
Rent	221,000	221,000	237,195	16,195
Miscellaneous	31,100	31,100	5,092	(26,008)
Total Revenues	950,000	950,000	916,315	(33,685)
Expenditures:				
Current Operations and Maintenance:				
Administration	869,750	869,750	779,884	89,866
Park Operations	13,500	13,500	22,950	(9,450)
Golf Course	329,765	329,765	256,019	73,746
Total Expenditures	1,213,015	1,213,015	1,058,853	154,162
Excess of Revenues Under Expenditures	(263,015)	(263,015)	(142,538)	120,477
Other Financing Sources (Uses):				
Advances - In	0	0	33,000	33,000
Advances - Out	0	0	(6,600)	(6,600)
Transfers In	201,000	201,000	115,000	(86,000)
Total Other Financing Sources (Uses)	201,000	201,000	141,400	(59,600)
Net Change in Fund Balance	(62,015)	(62,015)	(1,138)	60,877
Fund Balance at Beginning of Year	69,542	69,542	69,542	0
Prior Year Encumbrances Appropriated	2,415	2,415	2,415	0
Fund Balance at End of Year	$9,942	$9,942	$70,819	$60,877

See Accompanying Notes to the Basic Financial Statements

Note 1 - Description of the District and Reporting Entity

The Columbus and Franklin County Metropolitan Park District (the "District") is a body politic established to exercise the rights and privileges conveyed to it under the authority of Section 1545.01, Ohio Revised Code.

The District's governing body is a three member Board of Commissioners appointed by the probate judge of Franklin County. The District is classified as a related organization of Franklin County.

The District acquires land for conversion into forest reserves and for the conservation of natural resources, including streams, lakes, submerged lands and swamp lands. The District may also create parks, parkways, and other reservations and may afforest, develop, improve, protect and promote the use of same as the Board deems conducive to the general welfare. These activities are directly controlled by the Board through the budgetary process and are included within this report.

In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Columbus and Franklin County Metropolitan Park District 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 District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District, in that the District approves the organization's budget, the issuance of its debt, or the levying of its taxes. The District has no component units.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the District 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 District's accounting policies are described below.

Basis of Presentation

The District's 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 District as a whole. These statements include all financial activities of the District. The statements usually distinguish between those activities of the District that are governmental in nature and those that are considered business-type activities. The District, however, has no activities that are classified as business-type.

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular 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 District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements

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

Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. All funds of the District are 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 purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities and deferred inflows of resources is reported as fund balance. The following are the District's major governmental funds:

> General Fund – This fund is the operating fund of the District and is used to account for and report all financial resources except those required to be accounted for in another fund. The General Fund is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.
>
> Golf Course – This fund accounts for and reports committed revenues associated with the operation of the Blacklick Woods Golf Course.
>
> Capital Improvement – This fund accounts for and reports assigned revenues which are used by the District for various acquisition, construction and improvement projects. These revenues consist of tax dollars, local resources and federal and State grants.

The nonmajor governmental funds of the District account for contributions and donations and other resources whose use is restricted for a particular purpose.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the District are included on the Statement of Net Position. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances 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 governmental funds.

Basis of Accounting

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

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. “Measurable” means that the amount of the transaction can be determined and “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 District, available means expected to be received within 31 days of year-end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied (See Note 5). 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 District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: State-levied locally shared taxes, interest and grants.

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 represent 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. For the District, deferred outflows of resources include pension reported in the government-wide statement of net position. The deferred outflows of resources related to pension are explained in Note 10.

In addition to liabilities, the statement of financial position reports 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 Distict, deferred inflows of resources include property taxes, pension and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance 2016 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. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 10)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net positon have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

Expenses/Expenditures

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

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

Cash and Cash Equivalents

To improve cash management, cash received by the District is pooled. Monies for all funds, except for money held by Franklin County and the Inniswood Permanent Fund, are maintained in this pool. Individual fund integrity is maintained through the District's records. Interest in the pool is presented as "Equity In Pooled Cash And Cash Equivalents" on the financial statements. The District also has an amount with Franklin County, who processes the District's payroll, to cover any payroll adjustments. The cash in the Inniswood Permanent Fund is held by the Columbus Foundation. The balances in these accounts are presented on the financial statements as "Cash And Cash Equivalents With Fiscal Agents."

During 2015, the District's investments were limited to US Treasury Notes, Municipal Bonds, Negotiable Certificates of Deposit and PNC Government Mortgage Fund-Class I Mutual Fund. Investments in the mutual fund are reported at fair value which is based on the fund's quoted market price.

Interest income is distributed to the funds according to Ohio constitutional and statutory requirements. Interest revenue credited to the General Fund during 2015 amounted to $5,027, which includes $3,857 assigned from other funds.

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are reported as cash equivalents on the financial statements.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2015 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which the services are consumed.

Capital Assets

General capital assets are capital assets that are associated with and generally rise from governmental activities. These assets generally result from expenditures in governmental funds. These assets are reported in the governmental activities column of the government-wide Statement Of Net Position but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values on the date donated. The District maintains a capitalization threshold of $1,000. 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 expensed.

All reported capital assets, except Land, Wetlands, Land Restoration, and Construction In Progress, are depreciated. The District has elected to report Wetlands and Land Restoration as separate, non-depreciable capital assets. The value of Wetlands is the cost the District incurred to restore or create Wetlands on District property. Land Restoration is the cost incurred to restore acquired land back to its natural habitat by removing levees and planting trees and grasses. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for Infrastructure were estimated based on the District's historical records of necessary improvements and replacements.

Depreciation is computed using the straight-line method over the following useful lives:

Descriptions	Estimated Life
Land Improvements	10 - 25 years
Buildings	40 years
Equipment	7 years
Furnishings	5 years
Radios	5 years

Descriptions (continued)	Estimated Life
Vehicles	5 years
Computer Equipment	6 years
Infrastructure:	
Roads	10-50 years
All Purpose Trails	50 years
Other Paved Areas	5-30 years

In the case of the initial capitalization of general infrastructure assets, the District chose to include all such items regardless of their acquisition date.

Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "advances to/advances from other funds". Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

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 District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for 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 benefits will result in termination payments. The liability is an estimate based upon the District's past experience of making termination payments.

The entire compensated absences liability is reported on the government-wide financial statements.

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the funds from which the employees are paid.

Accrued Liabilities and Long-Term Obligations

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

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

Fund Balance

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

> 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. Nonspendable fund balances for the District includes prepaids and donor restricted endowments.
>
> 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 a formal action (resolution) of the District. Those committed amounts cannot be used for any other purpose unless the District's Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
>
> Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board of Directors, delegated that authority ordinance or by State statute. State statute authorizes the finance director 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. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

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

Extraordinary Item

During 2015, the District received $400,000 from a Franklin County court case. The District was the beneficiary of fines and fees rendered against a defendant for acts against nature and conservation. Because they were not rendered by the District itself, these fines and fees are reflected as an extraordinary item in the accompanying financial statements.

Estimates

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

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. A portion of certain governmental long-term liabilities is not related to governmental activities because, although the entire debt is being paid from governmental activities, part of the proceeds were used to purchase assets used in the business-type activities. The unrelated portion of these liabilities is included in the calculation of unrestricted net position.

Net position is reported as restricted when there are limitations imposed on their use either through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Budgetary Process

All funds of the District are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of control has been established by the Board at the fund level. The Finance Director has been authorized to allocate appropriations to the function and object level within each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. 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 reflect the amounts on the amended certificate in effect at the time final appropriations were passed by the Board.

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 Board during the year, including all supplemental appropriations.

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.

Note 3 – Change in Accounting Principle and Restatement of Net Position

For 2015, the District implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68." GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported December 31, 2014:

Net position December 31, 2014	$223,817,540
Adjustments:	
Net Pension Liability	(8,653,945)
Deferred Outflow - Payments Subsequent to Measurement Date	1,075,626
Restated Net Position December 31, 2014	$216,239,221

Other than employer contributions subsequent to the measurement date, the District made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

Note 4 - 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), the budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) is presented for the General Fund and the Golf Course Special Revenue Fund on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

(a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

(b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

(c) Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed, or assigned fund balance (GAAP basis).

(d) Advances In and Advances Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis for the General Fund and the Golf Course Special Revenue Fund are as follows:

Net Change in Fund Balance

	General Fund	Golf Course Fund
GAAP Basis	$1,348,425	($24,619)
Increases (Decreases) Due To:		
Revenue Accruals	(9,695)	0
Expenditure Accruals	115,676	(504)
Encumbrances	(91,973)	(2,415)
Advances	(26,400)	26,400
Budget Basis	$1,336,033	($1,138)

<u>Note 5 - Deposits and Investments</u>

State statutes classify monies held by the District into three categories.

Active monies are public monies necessary to meet current demands on the treasury. Active monies must be maintained either as cash in the District's 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 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.

Interim monies held by the District may be deposited or invested in the following securities:

1. United States Treasury notes, bills, bonds, notes, or any 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 Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal

agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

5. Bonds and other obligations of the State of Ohio and certain limitations of bonds and other obligations of political subdivisions of the State of Ohio;

6. The State Treasurer's investment pool (STAR Ohio);

7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and

8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

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

Deposits: Custodial credit risk for deposits is the risk that in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, $250,000 of the District's $9,970,342 bank balance was FDIC insured and not exposed to custodial credit risk. The remaining $9,720,342 was not insured but collateralized with securities held by the pledging financial institution. This $9,720,342 is exposed to custodial credit risk because the collateralized securities are not held by a third party administrator.

The District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or protected by eligible securities pledged to and deposited either with the District 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 pledge to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105 percent of the deposits being secured.

Investments: As of December 31, 2015, the District had the following investments. All investments, except the PNC Government Mortgage Fund-Class I, are in an internal investment pool.

		Investment Maturities (in Years)	
	Fair Value	Less than 1	1 - 2
US Treasury Notes	$99,973	$99,973	$0
Municipal Bonds	708,748	50,118	658,630
Negotiable Certificates of Deposit	1,880,246	1,301,636	578,610
PNC Government Mortgage Fund - Class I Mutual Fund	468,483	0	468,483
Totals	$3,157,450	$1,451,727	$1,705,723

Interest Rate Risk: As a means of limiting its exposure to fair value losses caused by rising interest rates, the District's investment policy requires that, to the extent possible, investments will match anticipated cash flow requirements. No investment shall be made unless the Finance Director, at the time of making the investment, reasonably expects it can be held to its maturity. Unless matched to a specific obligation or debt of the District, the District will not directly invest in securities maturing more than five years from the date of investment.

Credit Risk: The PNC Government Mortgage Fund-Class I Mutual Fund also carries a rating of AA by Standard and Poor's. The District has no policy regarding credit risk.

Note 6 - Property Taxes

Property taxes include amounts levied against all real and public utility property located in the District. Property tax revenue received during 2015 for real and public utility property taxes represents collections of 2014 taxes.

2015 real property taxes were levied after October 1, 2015, on the assessed value as of January 1, 2015, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2015 real property taxes are collected in and intended to finance 2016.

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 tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2015 public utility property taxes which became a lien December 31, 2014, are levied after October 1, 2015, and are collected in 2016 with real property taxes.

The full tax rate for all District operations for the year ended December 31, 2015, was $0.75 per $1,000 of assessed value. The assessed values of real and tangible personal property upon which 2015 property tax receipts were based are as follows:

Category	Assessed Value
Real Property:	
Agricultural/Residential	$18,044,047,750
Commercial/Industrial/Mineral	7,721,399,900
Public Utility Real	14,225,650
Tangible Personal Property:	
Public Utility Personal	862,772,340
Total	$26,642,445,640

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the District. The County Auditor periodically remits to the District its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2015, and for which there was an enforceable legal claim. In the governmental funds, the portion of the receivable not levied to finance 2015 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible 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.

The District has a .75 mill property tax levy that started in 2009 and runs through 2018, for the purpose of conserving natural resources; developing, improving, maintaining, and operating the various parks and other properties of the District; and for acquiring, developing, improving, maintaining and operating additional lands. The District records all of the levy monies in the General Fund. Transfers to the Capital Improvement Capital Projects Fund will be made when funds are needed to complete projects.

Note 7 - Receivables

Receivables at December 31, 2015, consisted of Property Taxes and Due From Other Governments. All receivables are considered fully collectible and will be collected within one year, with the exception of Property Taxes. Property Taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year.

A summary of the principal items due from other governments follows:

	Amount
Governmental Activities	
Local Government	$1,191,352
Homestead And Rollback	992,023
Capital Improvement Grant	479
Total Due From Other Governments	$2,183,854

Note 8 - Capital Assets

Capital assets activity for the year ended December 31, 2015, was as follows:

	Balance At 12/31/2014	Additions	Deletions	Balance At 12/31/2015
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	$136,062,985	$774,158	$0	$136,837,143
Wetlands	3,551,372	430,040	0	3,981,412
Land Restoration	12,217,640	838,356	0	13,055,996
Construction In Progress	7,155,864	10,442,204	(7,762,158)	9,835,910
Total Capital Assets, Not Being Depreciated	158,987,861	12,484,758	(7,762,158)	163,710,461
Depreciable Capital Assets:				
Land Improvements	9,157,591	2,306,688	0	11,464,279
Buildings	29,003,536	1,675,235	0	30,678,771
Equipment	4,593,132	341,213	(330,919)	4,603,426
Furnishings	222,852	54,579	(39,735)	237,696
Radios	486,270	118,563	(133,218)	471,615
Vehicles	2,057,643	253,341	(259,619)	2,051,365
Computer Equipment	251,179	18,043	(70,553)	198,669
Infrastructure	41,132,738	4,230,537	0	45,363,275
Total Depreciable Capital Assets	$86,904,941	$8,998,199	($834,044)	$95,069,096
Less Accumulated Depreciation:				
Land Improvements	(5,335,954)	(1,010,624)	0	(6,346,578)
Buildings	(10,755,652)	(732,523)	0	(11,488,175)
Equipment	(3,991,409)	(222,693)	330,919	(3,883,183)
Furnishings	(173,743)	(25,103)	39,735	(159,111)
Radios	(414,773)	(88,959)	133,218	(370,514)
Vehicles	(1,718,500)	(176,051)	244,216	(1,650,335)
Computer Equipment	(216,065)	(23,553)	70,553	(169,065)
Infrastructure	(15,760,565)	(775,887)	0	(16,536,452)
Total Accumulated Depreciation	(38,366,661)	(3,055,393) *	818,641	(40,603,413)
Depreciable Capital Assets, Net	48,538,280	5,942,806	(15,403)	54,465,683
Governmental Activities Capital Assets, Net	$207,526,141	$18,427,564	($7,777,561)	$218,176,144

* Depreciation expense was charged to governmental programs as follows:

Administration	$79,894
Education	688,763
Park Operations	1,909,798
Rental Property	23,933
Natural Resource Management	7,458
Golf Course	160,631
Park Safety	184,916
Total Depreciation Expense	$3,055,393

Note 9 - Risk Management

Risk Pool Membership

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

The District belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. York Risk Pooling Services, Inc. functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by York. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2015, PEP retained $350,000 for casualty claims and $100,000 for property claims.

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

Financial Position

PEP's financial statements conform with generally accepted account principles, and reported the following assets, liabilities and net position at December 31, 2014 and 2015.

	2014	2015
Assets	$35,402,177	$38,307,677
Liabilities	(12,363,257)	(12,759,127)
Net Position	$23,038,920	$25,548,550

At December 31, 2014 and 2015, respectively, the liabilities above include approximately $11.1 million and $11.5 million of estimated incurred claims payable. The assets above also include approximately $10.8 million and $11.0 million of unpaid claims to be billed. The Pool's membership increased from 488 members in 2014 to 499 members in 2015. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2015, the District's share of these unpaid claims collectible in future years is approximately $80,722.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

Year	Contributions to PEP
2014	$130,473
2015	128,130

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

The District insures against injuries to employees through a retrospective rating plan maintained by the County. Workers' compensation coverage is provided by the County through a self insurance fund. The District pays the County a premium based on a rate set by the Commissioners each year. This rate is calculated based on accident history and administrative costs. The County administers and pays all claims.

Note 10 - Defined Benefit Pension Plan

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions–-between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the District's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the District's obligation for this liability to annually required payments. The District cannot control benefit terms or the manner in which pensions are financed; however, the District does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - District employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. District employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting https://www.opers.org/financial/reports.shtml, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	**Group B** 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	**Group C** Members not in other Groups and members hired on or after January 7, 2013
State and Local	**State and Local**	**State and Local**
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Public Safety	**Public Safety**	**Public Safety**
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	**Law Enforcement**	**Law Enforcement**
Age and Service Requirements: Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	**Public Safety and Law Enforcement**	**Public Safety and Law Enforcement**
Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	**Formula:** 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	**Formula:** 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local	Public Safety	Law Enforcement
2015 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	*	**
2015 Actual Contribution Rates			
Employer:			
Pension	12.0 %	16.1 %	16.1 %
Post-employment Health Care Benefits	2.0	2.0	2.0
Total Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	12.0 %	13.0 %

* This rate is determined by OPERS' Board and has no maximum rate established by ORC.
** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The District's contractually required contribution was $1,180,341 for 2015. Of this amount, $52,257 is reported as an intergovernmental payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS
Proportionate Share of the Net Pension Liability	$8,853,926
Proportion of the Net Pension Liability	0.07340883%
Pension Expense	$958,734

At December 31, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS
Deferred Outflows of Resources	
Net difference between projected and actual earnings on pension plan investments	$472,419
District contributions subsequent to the measurement date	1,180,341
Total Deferred Outflows of Resources	$1,652,760
Deferred Inflows of Resources	
Differences between expected and actual experience	$155,546

$1,180,341 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS
Year Ending December 31:	
2016	$46,335
2017	46,335
2018	106,098
2019	118,105
Total	$316,873

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2010.

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 6.95 percent for 2014.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2014 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other investments	18.00	4.59
Total	100.00 %	5.28 %

Discount Rate The discount rate used to measure the total pension liability was 8 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 8 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
District's proportionate share of the net pension liability	$16,288,685	$8,853,926	$2,592,066

<u>Note 11 - Postemployment Benefits</u>

<u>Ohio Public Employees Retirement System</u>

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional 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 two cost-sharing, multiple-employer defined benefit postemployment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a health reimbursement arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting https://www.opers.org/financial/reports.shtml by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing, multiple employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0 percent during calendar year 2015. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0 percent for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2015 was 4.5 percent.

The District's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2015, 2014, and 2013 were $187,921, $183,085, and $356,734, respectively. For 2015, 94.29 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2014 and 2013.

Note 12 - Employee Benefits

Compensated Absences

Vacation leave accumulates at the completion of each two-week payroll cycle, reflecting hours worked and longevity, beginning with the full-time employees' first payroll period. Part-time employees are eligible to earn vacation at a rate of .025 for each hour worked. Vacation can be accumulated up to a maximum of two years for full-time employees and up to 40 hours for part-time employees. Employees are paid for earned, unused vacation leave at the time of termination of employment.

Sick leave is earned bi-weekly at the rate of 2.3077 hours for each week worked, beginning with the date of appointment to a full-time position, and can be accumulated without limit. Employees with 10 or more years of continuous full-time employment with the District who voluntarily leave employment, retire, or die, are paid for one-fourth of the sick leave balance accrued through the last date of service up to a maximum of 30 days.

Full-time hourly employees working in excess of designated work hours can choose between paid overtime or compensatory time, while part-time and seasonal employees working in excess of designated work hours will be paid for overtime. Compensatory time may be accumulated up to 240 hours. Employees who accumulate in excess of 240 hours will be paid for the excess hours at the next pay date. Employees are paid for earned, unused compensatory time at the time of termination of employment. Bargaining unit employees (full-time rangers) working in excess of designated work hours can choose between paid overtime or compensatory time. Compensatory time for bargaining unit employees may be accumulated up to 120 hours. Bargaining unit employees are paid for earned, unused compensatory time at the time of termination of employment.

Holiday time may be accumulated by full-time employees, but must be used prior to year-end.

Insurance

The District provides hospitalization and surgical insurance through United Healthcare of Ohio, Inc. The prescription drug plan is provided through Express Scripts, Inc. Dental insurance is provided through Aetna Dental. Vision insurance is provided through Vision Service Plus. Life insurance is provided through The Standard Life Insurance Company.

Deferred Compensation

District employees may participate in the Ohio Public Employees Deferred Compensation Plan or the County Commissioners Association of Ohio Deferred Compensation Plan. These plans were created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to both plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

Note 13 - Long-Term Obligations

The change in the District's long-term obligations during the year consisted of the following:

Types / Issues	Balance at 12/31/14	Increases	Decreases	Balance at 12/31/15	Due Within One Year
Governmental Activities					
Compensated Absences	$819,889	$401,072	$380,231	$840,730	$352,630
Net Pension Liability - OPERS	8,653,945	199,981	0	8,853,926	0
Total Governmental Activities	$9,473,834	$601,053	$380,231	$9,694,656	$352,630

Compensated absences will be paid from the General Fund and the Golf Course Special Revenue Fund. The District pays obligations related to employee compensation from the fund benefitting their service. See Note 10 for additional information related to the net pension liability.

Note 14 - Interfund Activity

The transfer made during the year ended December 31, 2015, was as follows:

		Transfer From
Transfer To		General Fund
	Golf Course Fund	$115,000
	Capital Improvement Fund	4,650,000
	Total	$4,765,000

The transfer from the General Fund to the Capital Improvement Fund was made to fund capital projects of the District. Transfers made from the General Fund to the Golf Course fund were made to help fund operations of the Golf Course.

At December 31, 2015, the General Fund had an unpaid interfund cash advance in the amount of $26,400 for a long-term loan made to the Golf Course Fund. The Park District has set up a yearly advance repayment over the next five years.

Note 15 - Contingent Liabilities

Federal and State Grants

For the period January 1, 2015, to December 31, 2015, the District received federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the District believes such disallowance, if any, would be immaterial.

Litigation

The District is not party to any legal proceedings.

Note 16 – Significant Commitments

Contractual Commitments

At December 31, 2015, the District's significant contractual commitments consisted of:

Projects	Contract Amount	Amount Completed	Balance at 12/31/2015
Camp Chase Trail - Hall/Sullivant Ave/ ODOT Bridge	$4,257,079	$4,182,798	$74,281
Camp Chase Trail Kropp Road to Galloway Road	2,854,059	2,851,272	2,787
Camp Chase Trail - Galloway Road to Hall Road	678,840	332,362	346,478
HBK - Olentangy Greenway Trail	729,262	575,375	153,887
Environmental Remediation	839,499	838,356	1,143
Scioto Audubon Metro Park Development	233,885	173,896	59,989
Rocky Fork Facility Development	3,250,239	3,239,504	10,735
Greenways Exhibit	49,000	24,500	24,500
Scioto Grove Development	5,079,897	4,462,330	617,567
Totals	$17,971,760	$16,680,393	$1,291,367

Encumbrances

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

Governmental Funds:	
General	$91,973
Golf Course	2,415
Capital Improvement	3,661,121
Total	$3,755,509

Note 17 - Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Golf Course	Capital Improvement	Nonmajor Governmental Funds	Total
Nonspendable					
Prepaids	$89,906	$186	$0	$0	$90,092
Advances	26,400	0	0	0	$26,400
Inniswood Capital Improvements	0	0	0	452,558	452,558
E. S. Thomas Educational Fund	0	0	0	89,011	89,011
J. C. Hambleton Memorial Fund	0	0	0	8,785	8,785
Total Nonspendable	116,306	186	0	550,354	666,846
Restricted for					
A. F. Beck	0	0	0	19,883	19,883
Inniswood Capital Improvements	0	0	0	15,235	15,235
M & A Thomas Inniswood	0	0	0	361,877	361,877
E. S. Thomas Educational Fund	0	0	0	83,557	83,557
J. C. Hambleton Memorial Fund	0	0	0	16,177	16,177
Total Restricted	0	0	0	496,729	496,729
Committed to					
Golf Course	0	10,252	0	0	10,252
Assigned to					
Purchases on Order	67,727	0	0	0	67,727
Capital Improvements	0	0	1,191,389	0	1,191,389
Total Assigned	67,727	0	1,191,389	0	1,259,116
Unassigned	9,109,297	0	0	0	9,109,297
Total Fund Balances	$9,293,330	$10,438	$1,191,389	$1,047,083	$11,542,240

Note 18 - Donor Restricted Endowments

The District's permanent funds include donor restricted endowments of $212,765. Endowments in the amount of $97,796 represent the principal portion. The amount of net appreciation in donor restricted investments that is available for expenditures by the District is $114,969 and is included as held in trust for educational programs. State law permits the District to appropriate, for purposes consistent with the endowment's intent, net appreciation, realized and unrealized, unless the endowment terms specify otherwise. The endowments indicate that the interest should be used to provide educational programs.

Columbus and Franklin County Metropolitan Park District

Required Supplementary Information

Columbus and Franklin District
Metropolitan Park District
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
Last Two Years (1)

	2014	2013
District's Proportion of the Net Pension Liability	0.07340883%	0.07340883%
District's Proportionate Share of the Net Pension Liability	$8,853,926	$8,653,945
District's Covered-Employee Payroll	$8,290,855	$8,832,616
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	106.79%	97.98%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%

(1) Information prior to 2013 is not available.

Amounts presented as of the District's measurement date which is the prior year end.

Columbus and Franklin District
Metropolitan Park District
Required Supplementary Information
Schedule of District Contributions
Ohio Public Employees Retirement System - Traditional Plan
Last Two Years (1)

	2015	2014
Contractually Required Contribution	$1,180,341	$1,075,626
Contributions in Relation to the Contractually Required Contribution	(1,180,341)	(1,075,626)
Contribution Deficiency (Excess)	$0	$0
District Covered-Employee Payroll	$9,143,281	$8,290,855
Contributions as a Percentage of Covered-Employee Payroll	12.91%	12.97%

(1) Information prior to 2014 is not available.

This Page Intentionally Left Blank.

Columbus and Franklin County Metropolitan Park District
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2015

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Number		Disbursements
U.S. DEPARTMENT OF AGRICULTURE				
Direct Funding:				
Wildlife Habitat Incentive Program	10.914	WHIP 2002 725E340829X	$	49,705
Total U.S. Department of Agriculture				49,705
U.S. DEPARTMENT OF TRANSPORTATION				
Passed through Ohio Department of Transportation				
Highway Planning and Construction	20.205	PID #83390		1,350,324
Total U.S. Department of Transportation				1,350,324
Total Federal Financial Assistance			**$**	**1,400,029**

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

Note A – Significant Accounting Policies

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

PERRY & Associates
Certified Public Accountants, A.C.

428 Second St.
Marietta, OH 45750
740.373.0056

1907 Grand Central Ave.
Vienna, WV 26105
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569

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

August 26, 2016

Columbus and Franklin County Metropolitan Park District
Franklin County
1069 West Main Street
Westerville, OH 43081

To the Board of 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, each major fund, and the aggregate remaining fund information of the **Columbus and Franklin County Metropolitan Park District**, Franklin County, (the District) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated August 26, 2016, wherein we noted the District adopted Governmental Accounting Standard Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

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*.

We did note certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated August 26, 2016.

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.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

Perry & Associates
Certified Public Accountants, A.C.

428 Second St.
Marietta, OH 45750
740.373.0056

1907 Grand Central Ave.
Vienna, WV 26105
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
740.695.1569

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

August 26, 2016

Columbus and Franklin County Metropolitan Park District
Franklin County
1069 West Main Street
Westerville, OH 43081

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

We have audited the **Columbus and Franklin County Metropolitan Park District's**, (the District) compliance with the applicable requirements described in the *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended December 31, 2015. The District's major federal program is identified in the *Summary of Audit Results* in the accompanying schedule of audit findings.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on 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 District 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, 2015.

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 each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Schedule of Audit Findings
2 CFR § 200.515
For the Year Ended December 31, 2015

1. SUMMARY OF AUDIT RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any other significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Highway Planning and Construction CFDA #20.205
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR §200.520?**	No

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Schedule of Prior Audit Findings
For the Year Ended June 30, 2015

Finding Number	**Finding Summary**	**Fully Corrected?**	**Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; *Explain***
2014-001	**Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, Section .200(b), .300(e) and .320(a)** – Filing with Federal Audit Clearinghouse	Yes	N/A

Dave Yost · Auditor of State

COLUMBUS AND FRANKLIN COUNTY METROPOLITAN PARKS DISTRICT

FRANKLIN 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
NOVEMBER 29, 2016

88 East Broad Street, Fourth Floor, Columbus, Ohio 43215-3506
Phone: 614-466-4514 or 800-282-0370 Fax: 614-466-4490
www.ohioauditor.gov