



OHIO AUDITOR OF STATE  
**KEITH FABER**



**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Auditor's Report .....	1
<b>Prepared by Management:</b>	
Management's Discussion and Analysis – December 31, 2023.....	5
Statement of Net Position – December 31, 2023.....	14
Statement of Activities – December 31, 2023 .....	16
Balance Sheet - Governmental Funds – December 31, 2023.....	18
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities – December 31, 2023 .....	19
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds – December 31, 2023.....	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities – December 31, 2023 .....	21
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) - General Fund – December 31, 2023.....	22
Notes to the Basic Financial Statements – December 31, 2023 .....	23
Schedule of District's Proportionate Share of the Net Pension Liability – December 31, 2023.....	64
Schedule of District Pension Contributions – December 31, 2023.....	66
Schedule of District Proportionate Share of the Net Other Postemployment Benefits Liability/(Asset) – December 31, 2023 .....	68
Schedule of District's Other Postemployment Benefits Contributions – December 31, 2023.....	70
Notes to the Requires Supplementary Information – December 31, 2023.....	72
Management's Discussion and Analysis – December 31, 2022.....	75
Statement of Net Position – December 31, 2022.....	84
Statement of Activities – December 31, 2022 .....	86
Balance Sheet - Governmental Funds – December 31, 2022.....	88
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities – December 31, 2022 .....	89

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY**

**TABLE OF CONTENTS – Continued**

<b>TITLE</b>	<b>PAGE</b>
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds – December 31, 2022.....	90
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities – December 31, 2022 .....	91
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) - General Fund – December 31, 2022.....	92
Notes to the Basic Financial Statements – December 31, 2022 .....	93
Schedule of District’s Proportionate Share of the Net Pension Liability – December 31, 2022.....	134
Schedule of District Pension Contributions – December 31, 2022.....	136
Schedule of District Proportionate Share of the Net Other Postemployment Benefits Liability/Asset – December 31, 2022.....	138
Schedule of District’s Other Postemployment Benefits Contributions – December 31, 2022.....	140
Notes to the Requires Supplementary Information – December 31, 2022 .....	142
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	145

# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

Mill Creek Metropolitan Park District  
Mahoning County  
7574 Columbiana-Canfield Road  
P.O. Box 596  
Canfield, Ohio 44406

To the Board of Commissioners:

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the discretely presented component unit, the major fund, and the aggregate remaining fund information of the Mill Creek Metropolitan Park District, Mahoning County, Ohio (the Park District), as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, the major fund, and the aggregate remaining fund information of the Mill Creek Metropolitan Park District, Mahoning County, Ohio as of December 31, 2023 and 2022, and the respective changes in financial position thereof and the budgetary comparison for the General fund for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Mill Creek Metro Parks Foundation, which represents 100 percent of the assets, net position, and revenues of the discretely presented component unit as of December 31, 2023 and December 31, 2022, and the respective changes in financial position thereof for the years then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for Mill Creek Metro Parks Foundation, are based solely on the report of other auditors.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Park District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Park District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Park District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Park District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2024, on our consideration of the Park District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Park District's 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 Park District's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio

November 5, 2024

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**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Management's Discussion and Analysis - Unaudited***  
***For the Year Ended December 31, 2023***

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The discussion and analysis of the Mill Creek Metropolitan Park District's (the District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2023. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

**Key financial highlights for 2023 are as follows:**

- ❑ Net position increased \$2,774,563, which represents a 10% increase from 2022.
- ❑ General revenues accounted for \$9,537,069 in revenue or 71% of all revenues. Program specific revenues in the form of charges for services, grants and contributions accounted for \$3,903,225 or 29% of total revenues of \$13,440,294.
- ❑ The District had \$10,665,731 in expenses related to governmental activities; only \$3,903,225 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily property taxes and unrestricted intergovernmental revenues) of \$9,537,069 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$12,138,742 in revenues and \$12,737,710 in expenditures. The general fund's fund balance decreased \$598,968 to \$4,847,585.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of two parts – *management's discussion and analysis* and the *basic financial statements*. The basic financial statements include two kinds of statements that present different views of the District:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the District's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Management's Discussion and Analysis - Unaudited***  
***For the Year Ended December 31, 2023***

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**Government-wide Statements**

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, liabilities, and deferred outflows/inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how it has changed. Net-position is one way to measure the District's financial health.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial health is improving or deteriorating.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as the District's tax base and the condition of the District's capital assets.

The government-wide financial statements of the District are reported in the following category:

- *Governmental Activities* – All of the District's basic services are reported here, including administration, park operations, golf course operations and law enforcement. State and federal grants, property taxes and user fees finance most of these activities.

**Fund Financial Statements**

The fund financial statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

***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 available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be 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 you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. 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.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Management's Discussion and Analysis - Unaudited  
For the Year Ended December 31, 2023***

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**Government-Wide Financial Analysis**

The following table provides a comparison of the District's net position at December 31, 2023 and 2022:

	Governmental Activities	
	2023	2022
Current and Other Assets	\$15,736,119	\$16,190,725
Net OPEB Asset	0	804,618
Capital Assets, Net	31,887,336	29,190,953
Total Assets	47,623,455	46,186,296
Deferred Outflows of Resources	3,503,692	923,134
Net Pension Liability	7,401,260	2,170,230
Long-Term Liabilities	3,292,937	3,808,961
Other Liabilities	1,050,611	861,013
Total Liabilities	11,744,808	6,840,204
Deferred Inflows of Resources	7,524,501	11,185,951
Net Position		
Net Investment in Capital Assets	28,871,643	25,473,614
Restricted	795,899	1,350,252
Unrestricted	2,190,296	2,259,409
Total Net Position	\$31,857,838	\$29,083,275

The net pension liability (NPL) is reported by the District pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net OPEB liability (NOL) is reported by the District pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." 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 OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Management's Discussion and Analysis - Unaudited***  
***For the Year Ended December 31, 2023***

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GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the District's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB 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 and other postemployment benefits. GASB noted that the unfunded portion of this 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 these liabilities. 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 Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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 retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *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 retirement system is responsible for the administration of the pension and OPEB plans.

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 or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, 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 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 and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Management's Discussion and Analysis - Unaudited  
For the Year Ended December 31, 2023***

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Changes in Net Position – The following table provides the change in net position for fiscal years 2023 and 2022:

	Governmental Activities	
	2023	2022
Revenues		
Program Revenues:		
Charges for Services and Sales	\$2,666,185	\$2,204,464
Operating Grants and Contributions	200,101	229,833
Capital Grants and Contributions	1,036,939	1,495,157
Total Program Revenues	<u>3,903,225</u>	<u>3,929,454</u>
General Revenues:		
Property Taxes	7,713,789	7,450,083
Intergovernmental Revenue, Unrestricted	1,258,141	1,288,011
Investment Earnings	375,162	130,736
Miscellaneous	189,977	269,341
Total General Revenues	<u>9,537,069</u>	<u>9,138,171</u>
Total Revenues	<u>13,440,294</u>	<u>13,067,625</u>
Program Expenses		
Administration	2,427,170	2,106,840
Park Operations	4,277,033	3,853,013
Golf Course	2,426,038	1,255,509
Law Enforcement	1,428,593	747,211
Interest and Fiscal Charges	106,897	97,759
Total Expenses	<u>10,665,731</u>	<u>8,060,332</u>
Change in Net Position	2,774,563	5,007,293
Beginning Net Position	<u>29,083,275</u>	<u>24,075,982</u>
Ending Net Position	<u>\$31,857,838</u>	<u>\$29,083,275</u>

***Governmental Activities***

The District's net position increased \$2,774,563 in 2023.

An increase in charges for services and sales can mostly be attributed to increased golf cart fees and other golf related revenue. Other revenue categories were consistent with the prior year.

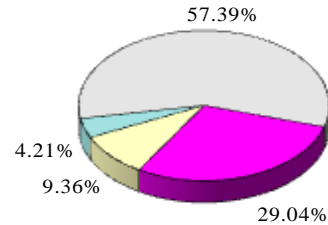
An overall increase in expenses can be attributed to changes in the Net Pension and OPEB liabilities.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

***Management's Discussion and Analysis - Unaudited  
For the Year Ended December 31, 2023***

Property taxes made up 57% of revenues for the District in fiscal year 2023. The District's reliance upon tax revenues is demonstrated by the following graph:

Revenue Sources	2023	Percent of Total
Property Taxes	\$7,713,789	57.39%
Program Revenues	3,903,225	29.04%
Intergovernmental, Unrestricted	1,258,141	9.36%
General Other	565,139	4.21%
Total Revenue	<u>\$13,440,294</u>	<u>100.00%</u>



The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

General Fund original estimated revenues, final estimated revenues, and actual budget basis revenues were not materially different. Original and final budgeted expenditures were not materially different. Actual budget basis expenditures were 14% less than final budget appropriations due to controlled costs across all District departments.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

The District's governmental funds reported a combined fund balance of \$5,643,484, which is a decrease from last year's balance of \$6,474,599. The schedule below indicates the fund balance and the total change in fund balance at December 31, 2023 and 2022:

	Fund Balance December 31, 2023	Fund Balance December 31, 2022	Increase (Decrease)
General	\$4,847,585	\$5,446,553	(\$598,968)
Other Governmental	795,899	1,028,046	(232,147)
Total	<u>\$5,643,484</u>	<u>\$6,474,599</u>	<u>(\$831,115)</u>

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

***Management's Discussion and Analysis - Unaudited***  
***For the Year Ended December 31, 2023***

General Fund – The District’s General Fund balance change is due to several factors. The tables that follow assist in illustrating the financial activities of the General Fund:

	2023	2022	Increase
	Revenues	Revenues	(Decrease)
Property Taxes	\$7,344,994	\$7,484,595	(\$139,601)
Intergovernmental Revenues	1,272,674	1,285,573	(12,899)
Fines and Forfeitures	1,298	1,620	(322)
Charges for Services	2,664,044	2,201,199	462,845
Donations	330,475	311,978	18,497
Investment Earnings	375,162	109,812	265,350
All Other Revenue	150,095	114,269	35,826
<b>Total</b>	<b>\$12,138,742</b>	<b>\$11,509,046</b>	<b>\$629,696</b>

General Fund revenues increased 5% in 2023. An increase in charges for services can mostly be attributed to increased golf cart fees and other golf related revenue. Investment earnings increased as a result of higher interest rates.

	2023	2022	Increase
	Expenditures	Expenditures	(Decrease)
Administration	\$2,462,720	\$2,455,711	\$7,009
Park Operations	6,396,739	6,012,732	384,007
Golf Course	2,241,281	1,988,904	252,377
Law Enforcement	1,510,250	1,441,673	68,577
Debt Service:			
Principal Retirement	106,205	0	106,205
Interest and Fiscal Charge:	20,515	0	20,515
<b>Total</b>	<b>\$12,737,710</b>	<b>\$11,899,020</b>	<b>\$838,690</b>

General Fund expenditures increased \$838,690, or 7% when compared with the previous year. Increased park operations expenditures included various road improvements. Golf course expenditures included construction of an indoor player development center and artificial turf at the field house.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

***Management's Discussion and Analysis - Unaudited  
For the Year Ended December 31, 2023***

**CAPITAL ASSETS AND DEBT**

***Capital Assets***

At the end of 2023 the District had \$31,887,336 net of accumulated depreciation invested in land, construction in progress, land improvements, buildings and improvements, machinery and equipment, right-to-use assets, and infrastructure. The following table shows fiscal year 2023 and 2022 balances:

	Governmental Activities		Increase (Decrease)
	2023	2022	
Land	\$5,112,249	\$5,112,249	\$0
Construction In Progress	935,666	1,147,274	(211,608)
Land Improvements	7,870,530	5,139,744	2,730,786
Buildings and Improvements	24,473,183	23,134,984	1,338,199
Infrastructure	13,996,205	13,996,205	0
Machinery and Equipment	6,589,801	6,056,877	532,924
Intangible Right-to-use Assets: Equipment	458,546	458,546	0
Less: Accumulated Depreciation	(27,548,844)	(25,854,926)	(1,693,918)
Totals	<u>\$31,887,336</u>	<u>\$29,190,953</u>	<u>\$2,696,383</u>

Capital asset additions included renovations to the Ford Nature Center, renovations to the Wick Warming House, parking lot improvements, trail improvements, and other various machinery and equipment. In addition, an indoor golf player development center was constructed in 2023.

Additional information on the District's capital assets can be found in Note 6.

***Debt and Other Long-Term Obligations***

The following table summarizes the District's debt and other long-term obligations outstanding as of December 31, 2023 and 2022:

	2023	2022
Governmental Activities:		
Long-Term Note	\$2,561,801	\$2,945,634
Lease Payable	352,341	458,546
Compensated Absences	378,795	404,781
Total Governmental Activities	<u>\$3,292,937</u>	<u>\$3,808,961</u>

Additional information on the District's long term liabilities can be found in Note 9.



***MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO***

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***Management's Discussion and Analysis - Unaudited  
For the Year Ended December 31, 2023***

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**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to reflect the District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Nick Morchak, Finance Director/Treasurer, Mill Creek Metropolitan Park District, 7574 Columbiana-Canfield Road, Canfield, Ohio 44406, or by calling 330-702-3000.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Statement of Net Position  
December 31, 2023**

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	<b>Governmental Activities</b>	<b>Component Unit Mill Creek MetroParks Foundation</b>
<b>Assets:</b>		
Pooled Cash and Investments	\$ 6,161,517	\$ 0
Cash and Cash Equivalents	0	357,443
Receivables:		
Property Taxes	8,748,056	0
Accounts	88,341	0
Intergovernmental	625,772	0
Leases	41,029	0
Prepaid Items	38,104	0
Restricted Assets:		
Cash and Cash Equivalents	33,300	178,929
Investments	0	4,819,366
Non-Depreciable Capital Assets	6,047,915	0
Depreciable Capital Assets, Net	25,839,421	0
<b>Total Assets</b>	<b>47,623,455</b>	<b>5,355,738</b>
<b>Deferred Outflows of Resources:</b>		
Pension	3,020,271	0
OPEB	483,421	0
<b>Total Deferred Outflows of Resources</b>	<b>3,503,692</b>	<b>0</b>
<b>Liabilities:</b>		
Accounts Payable	332,739	0
Accrued Wages and Benefits Payable	249,823	0
Intergovernmental Payable	2,105	0
Unearned Revenue	269,476	0
Refundable Deposits	33,300	0
Noncurrent Liabilities:		
Due Within One Year	585,374	0
Due in More Than One Year:		
Net Pension Liability	7,401,260	0
Net OPEB Liability	163,168	0
Other Amounts Due in More Than One Year	2,707,563	0
<b>Total Liabilities</b>	<b>11,744,808</b>	<b>0</b>

(Continued)

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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	<b>Governmental Activities</b>	<b>Component Unit Mill Creek MetroParks Foundation</b>
<b>Deferred Inflows of Resources:</b>		
Property Tax Levy for Next Fiscal Year	7,430,647	0
Leases	40,039	0
OPEB	53,815	0
<b>Total Deferred Inflows of Resources</b>	<b>7,524,501</b>	<b>0</b>
<b>Net Position:</b>		
Net Investment in Capital Assets	28,871,643	0
Restricted For:		
Capital Projects	775,992	0
Other Purposes	19,907	0
Unrestricted	2,190,296	0
Without Donor Restrictions:		
Board Designated	0	867,043
Undesignated	0	364,791
With Donor Restrictions	0	4,123,904
<b>Total Net Position</b>	<b>\$ 31,857,838</b>	<b>\$ 5,355,738</b>

See accompanying notes to the basic financial statements

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

**Statement Of Activities  
For The Year Ended December 31, 2023**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
Administration	\$ 2,427,170	\$ 0	\$ 0	\$ 0
Park Operations	4,277,033	1,210,623	112,979	1,028,297
Golf Course	2,426,038	1,453,469	0	0
Law Enforcement	1,428,593	2,093	740	8,642
Interest and Fiscal Charges	106,897	0	86,382	0
<b>Total Primary Government</b>	<b>\$ 10,665,731</b>	<b>\$ 2,666,185</b>	<b>\$ 200,101</b>	<b>\$ 1,036,939</b>
<b>Component Unit:</b>				
Mill Creek MetroParks Foundation	\$ 715,151	\$ 0	\$ 648,146	\$ 0

**General Revenues:**

Property Taxes

Intergovernmental Revenues, Unrestricted

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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Net (Expense) Revenue and Changes in Net Position	Component Unit
Governmental Activities	Mill Creek MetroParks Foundation
\$ (2,427,170)	
(1,925,134)	
(972,569)	
(1,417,118)	
(20,515)	
<u>\$ (6,762,506)</u>	
	<u>\$ (67,005)</u>
7,713,789	0
1,258,141	0
375,162	498,819
189,977	0
<u>9,537,069</u>	<u>498,819</u>
2,774,563	431,814
<u>29,083,275</u>	<u>4,923,924</u>
<u>\$ 31,857,838</u>	<u>\$ 5,355,738</u>

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

**Balance Sheet**  
**Governmental Funds**  
**December 31, 2023**

	General	Other Governmental Funds	Total Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Assets:</b>			
Pooled Cash and Investments	\$ 5,366,669	\$ 794,848	\$ 6,161,517
Receivables:			
Property Taxes	8,748,056	0	8,748,056
Accounts	87,290	1,051	88,341
Intergovernmental	625,772	0	625,772
Leases	41,029	0	41,029
Prepaid Items	38,104	0	38,104
Restricted Assets:			
Cash and Cash Equivalents	33,300	0	33,300
<b>Total Assets</b>	<u>\$ 14,940,220</u>	<u>\$ 795,899</u>	<u>\$ 15,736,119</u>
<b>Liabilities:</b>			
Accounts Payable	\$ 332,739	\$ 0	\$ 332,739
Accrued Wages and Benefits Payable	249,823	0	249,823
Intergovernmental Payable	2,105	0	2,105
Unearned Revenue	269,476	0	269,476
Refundable Deposits	33,300	0	33,300
<b>Total Liabilities</b>	<u>887,443</u>	<u>0</u>	<u>887,443</u>
<b>Deferred Inflows of Resources:</b>			
Unavailable Amounts	1,734,506	0	1,734,506
Property Tax Levy for Next Fiscal Year	7,430,647	0	7,430,647
Leases	40,039	0	40,039
<b>Total Deferred Inflows of Resources</b>	<u>9,205,192</u>	<u>0</u>	<u>9,205,192</u>
<b>Fund Balances:</b>			
Nonspendable	42,009	0	42,009
Restricted	0	795,899	795,899
Assigned	4,082,421	0	4,082,421
Unassigned	723,155	0	723,155
<b>Total Fund Balances</b>	<u>4,847,585</u>	<u>795,899</u>	<u>5,643,484</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 14,940,220</u>	<u>\$ 795,899</u>	<u>\$ 15,736,119</u>

See accompanying notes to the basic financial statements

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Reconciliation Of Total Governmental Fund Balances  
To Net Position Of Governmental Activities  
December 31, 2023***

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<b>Total Governmental Fund Balances</b>	\$	5,643,484
 <i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		31,887,336
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		1,734,506
The net pension/OPEB 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	3,020,271	
Net Pension Liability	(7,401,260)	
Deferred Outflows - OPEB	483,421	
Deferred Inflows - OPEB	(53,815)	
Net OPEB Liability	<u>(163,168)</u>	(4,114,551)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Long Term Note Payable	(2,561,801)	
Lease Payable	(352,341)	
Compensated Absences Payable	<u>(378,795)</u>	<u>(3,292,937)</u>
 <b><i>Net Position of Governmental Activities</i></b>	 \$	 <u><u>31,857,838</u></u>

See accompanying notes to the basic financial statements

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2023**

	General	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>			
Property Taxes	\$ 7,344,994	\$ 0	\$ 7,344,994
Intergovernmental Revenues	1,272,674	426,968	1,699,642
Fines and Forfeitures	1,298	795	2,093
Charges for Services	2,664,044	0	2,664,044
Gas Royalties	0	48,929	48,929
Donations	330,475	470,215	800,690
Investment Earnings	375,162	0	375,162
All Other Revenue	150,095	0	150,095
<b>Total Revenues</b>	<u>12,138,742</u>	<u>946,907</u>	<u>13,085,649</u>
<b>Expenditures:</b>			
Current:			
Administration	2,462,720	0	2,462,720
Park Operations	6,396,739	0	6,396,739
Golf Course	2,241,281	0	2,241,281
Law Enforcement	1,510,250	0	1,510,250
Capital Outlay	0	708,839	708,839
Debt Service:			
Principal Retirement	106,205	383,833	490,038
Interest and Fiscal Charges	20,515	86,382	106,897
<b>Total Expenditures</b>	<u>12,737,710</u>	<u>1,179,054</u>	<u>13,916,764</u>
Net Change in Fund Balance	(598,968)	(232,147)	(831,115)
<b>Fund Balances at Beginning of Year</b>	5,446,553	1,028,046	6,474,599
<b>Fund Balances End of Year</b>	<u>\$ 4,847,585</u>	<u>\$ 795,899</u>	<u>\$ 5,643,484</u>

See accompanying notes to the basic financial statements



**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**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, 2023**

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**Net Change in Fund Balances - Total Governmental Funds** \$ (831,115)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital Outlay	4,402,428	
Depreciation Expense	(1,706,045)	2,696,383

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		354,645
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Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

Pension	586,652	
OPEB	0	586,652

Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.

Pension	(946,102)	
OPEB	398,076	(548,026)

The issuance of long-term debt (e.g. notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Lease Retirement	106,205	
Long Term Note Principal Retirement	383,833	490,038

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

Compensated Absences		25,986
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<b>Change in Net Position of Governmental Activities</b>		<b>\$ 2,774,563</b>

See accompanying notes to the basic financial statements

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 7,158,550	\$ 7,158,550	\$ 7,544,986	\$ 386,436
Intergovernmental Revenues	1,211,039	1,211,039	1,276,414	65,375
Fines and Forfeitures	966	966	1,018	52
Charges for Services	2,531,138	2,531,138	2,667,775	136,637
Donations	323,127	323,127	340,570	17,443
Investment Earnings	353,508	353,508	372,591	19,083
All Other Revenue	141,575	141,575	149,218	7,643
Total Revenues	11,719,903	11,719,903	12,352,572	632,669
<b>Expenditures:</b>				
Current:				
Administration	3,140,958	3,181,426	2,736,834	444,592
Park Operations	8,851,277	8,965,315	7,712,448	1,252,867
Golf Course	2,881,096	2,918,215	2,510,406	407,809
Law Enforcement	1,759,120	1,781,784	1,532,787	248,997
Total Expenditures	16,632,451	16,846,740	14,492,475	2,354,265
Net Change in Fund Balance	(4,912,548)	(5,126,837)	(2,139,903)	2,986,934
Fund Balance at Beginning of Year	3,790,697	3,790,697	3,790,697	0
Prior Year Encumbrances	1,892,865	1,892,865	1,892,865	0
Fund Balance at End of Year	\$ 771,014	\$ 556,725	\$ 3,543,659	\$ 2,986,934

See accompanying notes to the basic financial statements

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The constitution and laws of the State of Ohio Revised Code Section 1545 establish the rights and privileges of the Mill Creek Metropolitan Park District, Mahoning County, (the District) as a body corporate and politic. The probate judge of Mahoning County appoints a five member Board of Commissioners to govern the Park District. The Commissioners are authorized to acquire, develop, protect, maintain, and improve park lands and facilities. The Commissioners may convert acquired land into forest reserves. The Commissioners are also responsible for activities related to conserving natural resources, including streams, lakes, submerged lands, and swamp lands. The Board may also create parks, parkways, and other reservations and may afforest, develop, improve and protect, and promote the use of these assets conducive to the general welfare.

The reporting entity is comprised of the primary government, component units and other organizations that were included to ensure the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*," as amended by GASB Statement No. 39, "*Determining Whether Certain Organizations Are Component Units*," and GASB Statement No. 61, "*The Financial Reporting Entity - Omnibus*" in that the financial statements include all organizations, activities, functions and component units for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on, the District. Based on the foregoing, the District has one component unit, the Mill Creek MetroParks Foundation.

*Discretely Presented Component Unit* - The component unit column in the government-wide financial statements includes the financial data of the District's component unit. It is reported in a separate column to emphasize that it is legally separate from the District. The Mill Creek MetroParks Foundation was created in March of 1979 and is operated exclusively for charitable and educational purposes, to wit, for the purpose of making capital improvements within the District. The Foundation is a tax exempt trust as determined by 501(c) (3) of the Internal Revenue Code. The Foundation Board includes two members from the District Board, three members selected by the District Board, and two members selected by the Mahoning County Probate Judge.

If you wish to request financial documents from the Mill Creek MetroParks Foundation Board of Directors, they can be reached at [info@lovemillcreek.org](mailto:info@lovemillcreek.org). The Foundation will review your request at their next quarterly meeting.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**A. Reporting Entity** (Continued)

The accounting policies and financial reporting practices of the District conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies.

**B. Basis of Presentation - Fund Accounting**

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund equity, revenues and expenditures/expenses.

***Governmental Funds*** - These are funds through which most governmental functions typically are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following is the District's only major governmental fund:

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

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

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**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements**

**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 the financial activities of the primary government.

The government-wide statements are prepared using the economic resources measurement focus. This approach differs from the manner in which governmental fund 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.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program 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 and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

**Fund Financial Statements** – Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, current liabilities, and deferred outflows/inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

**D. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Accounting (Continued)**

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the District is considered to be 60 days after fiscal year end.

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Revenue considered susceptible to accrual at year end includes interest on investments and grants and entitlements. Other revenue, including fines, fees, sales, certain charges for services and miscellaneous revenues are recorded as revenue when received in cash because generally these revenues are not measurable until received.

Property taxes measurable as of December 31, 2023 but which are not intended to finance 2023 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred inflows of resources. Property taxes are further described in Note 4.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements. Revenues are recognized when they are earned and expenses are recognized when incurred.

***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.

Nonexchange 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 fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Accounting** (Continued)

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

**E. Budgetary Process**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. 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 certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year.

All governmental funds are legally required to be budgeted and appropriated. The legal level of budgetary control is at the object level. Budgetary modifications must be approved by the District Board.

1. **Tax Budget**

The District Treasurer/Administrative Services Director submits an annual tax budget for the following fiscal year to the District Board of Commissioners by July 15 for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year. This requirement is waived by the County Budget Commission.

2. **Estimated Resources**

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the District by September 1 of each year. As part of the certification process, the District receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2023.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process** (Continued)

3. Appropriations

A temporary appropriation resolution to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation resolution must be passed by April 1 of each year for the period January 1 through December 31. The appropriation resolution establishes spending controls at the fund, function, and object level, and may be modified during the year by resolution of the District Board of Commissioners. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the General Fund is presented on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

4. Lapsing of Appropriations

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

5. Budgetary Basis of Accounting

The District's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.



**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

**5. Budgetary Basis of Accounting (Continued)**

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement for the General Fund:

Net Change in Fund Balance	General Fund
GAAP Basis (as reported)	(\$598,968)
Increase (Decrease):	
Accrued Revenues at December 31, 2023 received during 2024	(296,955)
Accrued Revenues at December 31, 2022 received during 2023	438,405
Accrued Expenditures at December 31, 2023 paid during 2024	887,443
Accrued Expenditures at December 31, 2022 paid during 2023	(715,434)
2022 Prepays for 2023	36,512
2023 Prepays for 2024	(38,104)
Outstanding Encumbrances	(1,852,405)
Perspective Difference:	
Activity of Funds Reclassified for GAAP Reporting Purposes	(397)
Budget Basis	(\$2,139,903)

**F. Cash and Investments**

Cash and cash equivalents include amounts in demand deposits and a money market account.

The District pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. See Note 3, "Cash, Cash Equivalents and Investments."

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The District allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*" and GASB Statement No. 72, "*Fair Value Measurement and Application*," the District records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statements.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. See Note 3, "Cash, Cash Equivalents and Investments."

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**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

---

***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**H. Capital Assets and Depreciation**

Capital assets are defined by the District as assets with an initial, individual cost of more than \$3,000.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at acquisition value at the date received. Capital assets include land, construction in progress, land improvements, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

2. Depreciation

All capital assets, other than land and construction in progress, are depreciated. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (in Years)</u>
Land Improvements	15 - 40
Buildings and Improvements	15 - 50
Infrastructure	10 - 30
Machinery and Equipment	5 - 15
Right-to-use Asset: Equipment	4

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Long-Term Obligations**

Long-term liabilities are being repaid from the following fund:

<u>Obligation</u>	<u>Fund</u>
Compensated Absences	General Fund
Long-term Note	Ford Nature Center Project Fund
Leases	General Fund

**J. Compensated Absences**

In accordance with GASB Statement No. 16, “*Accounting for Compensated Absences*,” vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

For governmental funds, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. For governmental funds, that portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net position, “Compensated Absences Payable” is recorded within the “Due within one year” account and the long-term portion of the liability is recorded within the “Due in more than one year” account.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**K. Pension/OPEB**

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

**L. Net Position**

Net position represents the difference between assets, liabilities, and deferred outflows/inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on use either through the enabling legislation adopted by the District or 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.

**M. Interfund Activity**

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.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**N. Fund Balance**

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

*Nonspendable* – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

*Restricted* – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the District to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

*Committed* – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District’s highest level of decision making authority. For the District, these constraints consist of ordinances passed by the District Board of Commissioners. Committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

*Assigned* – Assigned fund balance consists of amounts that are constrained by the District’s intent to be used for specific purposes, but are neither restricted nor committed.

*Unassigned* – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed.

**O. 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.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**P. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. For the District, deferred outflows of resources are reported for pension/OPEB amounts on the government-wide statement of net position. See Notes 7 and 8.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension/OPEB are reported on the government-wide statement of net position. See Notes 7 and 8.

**Q. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2023, 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 services are consumed.

**R. Restricted Assets**

Rental of District facilities requires a security deposit, which is held by the District and classified as restricted assets in the financial statements.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023**

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**NOTE 2 – FUND BALANCE CLASSIFICATION**

Fund balance is classified as nonspendable, restricted, committed, assigned and 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	Other Governmental Funds	Total Governmental Funds
Nonspendable:			
Unclaimed Funds	\$3,905	\$0	\$3,905
Prepays	38,104	0	38,104
Total Nonspendable	<u>42,009</u>	<u>0</u>	<u>42,009</u>
Restricted:			
Capital Improvements	0	775,992	775,992
Law Enforcement	0	19,907	19,907
Total Restricted	<u>0</u>	<u>795,899</u>	<u>795,899</u>
Assigned:			
Budget Resource	2,520,966	0	2,520,966
Encumbrances	1,561,455	0	1,561,455
Total Assigned	<u>4,082,421</u>	<u>0</u>	<u>4,082,421</u>
Unassigned	<u>723,155</u>	<u>0</u>	<u>723,155</u>
Total Fund Balances	<u><u>\$4,847,585</u></u>	<u><u>\$795,899</u></u>	<u><u>\$5,643,484</u></u>

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**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments.

Statutes require the classification of funds held by the District into three categories.

Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the District. Such funds must be maintained either as cash in the District Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- 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, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that 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 that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**A. Deposits**

Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District has no deposit policy for custodial risk beyond the requirements of State statute.

Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

At year end the carrying amount of the District's deposits was \$6,194,817 and the bank balance was \$6,658,381. The Federal Deposit Insurance Corporation (FDIC) covered \$500,000 of the bank balance, and \$6,158,381 was uninsured and was collateralized with securities held in the Ohio Pooled Collateral System.

**B. Investments**

*Interest Rate Risk* – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date. The District has no policy that limits investment purchases beyond the requirements of the Ohio Revised Code.

*Investment Credit Risk* – The District has no investment policy that limits its investment choices other than the limitation of State statute for “interim” funds described previously.

*Concentration of Credit Risk* – The District places no limit on the amount the District may invest in one issuer.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023**

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**NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**C. Component Unit**

The Mill Creek MetroParks Foundation reported a total cash balance of \$536,372 at year end. Investments at December 31, 2023 were as follows:

	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Fair Value Hierarchy</u>	<u>Investment Maturities (in Years)</u>		
				<u>Less than 1</u>	<u>1-3 years</u>	<u>3-5 years</u>
Mutual Funds <sup>2</sup>	\$1,306,438	NA	NA	\$1,306,438	\$0	\$0
Common Stocks	1,210,579	NA	Level 2	1,210,579	0	0
Treasury Bonds	138,056	AAA <sup>1</sup>	Level 2	138,056	0	0
Corporate Bonds	2,164,293	Baa2-AAA <sup>1</sup>	Level 2	2,164,293	0	0
Total Investments	<u>\$4,819,366</u>			<u>\$4,819,366</u>	<u>\$0</u>	<u>\$0</u>

<sup>1</sup> Moody's

<sup>2</sup> Reported at amortized cost

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**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 4- PROPERTY TAXES**

Property taxes include amounts levied against all real estate and public utility property located in the District. Real property taxes (other than public utility) collected during 2023 were levied after October 1, 2022 on assessed values as of January 1, 2022, the lien date. Assessed values are established by the county auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments are made in the third year following reappraisal. The last reappraisal was completed in 2018. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the Mill Creek Metropolitan Park District. The County Auditor periodically remits to the District its portion of the taxes collected. The full tax rate for all District operations for the year ended December 31, 2023 was \$2.00 per \$1,000 of assessed value. The assessed value upon which the 2023 levy was based was \$6,346,639,820. This amount constitutes \$5,951,257,950 in real property assessed value and \$395,381,870 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of one percent of assessed value without a vote of the people. Under current procedures, the District's share is .20% (2.00 mills) of assessed value.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023**

**NOTE 5 - RECEIVABLES**

Receivables at December 31, 2023 consisted of taxes, accounts, leases, and intergovernmental receivables.

**NOTE 6 - CAPITAL ASSETS**

Summary by category of changes in governmental activities capital assets at December 31, 2023:

<i>Historical Cost:</i>				
Class	2022	Additions	Deletions	2023
<i>Capital assets not being depreciated:</i>				
Land	\$5,112,249	\$0	\$0	\$5,112,249
Construction in Progress	1,147,274	132,494	(344,102)	935,666
Subtotal	6,259,523	132,494	(344,102)	6,047,915
<i>Capital assets being depreciated:</i>				
Land Improvements	5,139,744	2,730,786	0	7,870,530
Buildings and Improvements	23,134,984	1,350,326	(12,127)	24,473,183
Infrastructure	13,996,205	0	0	13,996,205
Machinery and Equipment	6,056,877	532,924	0	6,589,801
<i>Intangible Right-to-use Asset:</i>				
Equipment	458,546	0	0	458,546
Total Cost	<u>\$55,045,879</u>	<u>\$4,746,530</u>	<u>(\$356,229)</u>	<u>\$59,436,180</u>
 <i>Accumulated Depreciation:</i>				
Class	2022	Additions	Deletions	2023
Land Improvements	(\$2,282,290)	(\$248,910)	\$0	(\$2,531,200)
Buildings and Improvements	(11,487,682)	(656,589)	12,127	(12,132,144)
Infrastructure	(8,439,892)	(406,331)	0	(8,846,223)
Machinery and Equipment	(3,645,062)	(279,578)	0	(3,924,640)
<i>Intangible Right-to-use Asset:</i>				
Equipment	0	(114,637)	0	(114,637)
Total Depreciation	<u>(\$25,854,926)</u>	<u>(\$1,706,045) *</u>	<u>\$12,127</u>	<u>(\$27,548,844)</u>
<i>Net Value:</i>	<u>\$29,190,953</u>			<u>\$31,887,336</u>

\* Depreciation was charged to governmental functions as follows:

Park Operations	\$1,350,186
Golf Course	283,756
Law Enforcement	72,103
Total Depreciation Expense	<u>\$1,706,045</u>

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 7 – 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 the 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.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023**

**NOTE 7 – DEFINED BENEFIT PENSION PLAN (Continued)**

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):

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

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

---

***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 7 – DEFINED BENEFIT PENSION PLAN (Continued)**

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. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

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 3.00% 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 3.00%.

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.00% to the member's FAS for the first 30 years of service.

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions.

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS's Board of Trustees. Member-Directed Plan and Combined Plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the Member-Directed Plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit. For additional information, see the Plan Statement in the OPERS Annual Comprehensive Financial Report.



**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023**

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**NOTE 7 – DEFINED BENEFIT PENSION PLAN (Continued)**

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

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

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
<b>2023 Statutory Maximum Contribution Rates</b>			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	**	***
<b>2023 Actual Contribution Rates</b>			
Employer:			
Pension *****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits *****	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

\* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

\*\* 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.

\*\*\*\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The District's contractually required contribution was \$586,652 for 2023. Of this amount, \$73,887 is reported as accrued wages and benefits.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

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**NOTE 7 – DEFINED BENEFIT PENSION PLAN (Continued)**

***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, 2022, 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	\$7,401,260
Proportion of the Net Pension Liability-2023	0.025055%
Proportion of the Net Pension Liability-2022	0.024944%
Percentage Change	0.000111%
Pension Expense	\$946,102

At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS
<b>Deferred Outflows of Resources</b>	
Differences between expected and actual experience	\$245,839
Changes of assumptions	78,190
Net difference between projected and actual earnings on pension plan investments	2,109,590
District contributions subsequent to the measurement date	586,652
Total Deferred Outflows of Resources	\$3,020,271

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

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**NOTE 7 – DEFINED BENEFIT PENSION PLAN (Continued)**

\$586,652 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, 2024. 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:	
2024	\$286,421
2025	492,821
2026	620,954
2027	1,033,423
Total	\$2,433,619

***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, 2022 and December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	December 31, 2022
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2023. 2.05 percent simple, thereafter
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age
	December 31, 2021
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2022. 2.05 percent simple, thereafter
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

**NOTE 7 – DEFINED BENEFIT PENSION PLAN (Continued)**

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. 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 annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1 percent for 2022.

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 long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real estate 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. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized below

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	22.00 %	2.62 %
Domestic Equities	22.00	4.60
Real Estate	13.00	3.27
Private Equity	15.00	7.53
International Equities	21.00	5.51
Risk Parity	2.00	4.37
Other Investments	5.00	3.27
Total	<u>100.00 %</u>	

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023**

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**NOTE 7 – DEFINED BENEFIT PENSION PLAN (Continued)**

**Discount Rate** The discount rate used to measure the total pension liability was 6.9 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 6.9 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 (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability	\$11,086,838	\$7,401,260	\$4,335,517

**NOTE 8 - DEFINED BENEFIT OPEB PLAN**

**Net OPEB Liability (Asset)**

The net OPEB liability (asset) reported on the statement of net position represents a liability to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability (asset) represents the District’s proportionate share of the OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan’s fiduciary net position. The net OPEB liability (asset) 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 these estimates annually.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 8 - DEFINED BENEFIT OPEB PLAN (Continued)**

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 OPEB are financed; however, the District does receive the benefit of employees' services in exchange for compensation including OPEB.

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability (asset). Resulting adjustments to the net OPEB liability (asset) would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net OPEB liability (asset)* on the accrual basis of accounting. Any liability for the contractually-required OPEB 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 - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 8 - DEFINED BENEFIT OPEB PLAN (Continued)**

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least 75 percent of the base allowance.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have 20 or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. 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 75. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. See OPERS' Annual Comprehensive Financial Report 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. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care is not being funded.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

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**NOTE 8 - DEFINED BENEFIT OPEB PLAN (Continued)**

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board 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 0 percent during calendar year 2023. The OPERS 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 into the RMA for participants in the Member-Directed Plan for 2023 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The District's contractually required contribution was \$0 for 2023.

Following is information related to the proportionate share and OPEB expense:

	OPERS
Proportionate Share of the Net OPEB Liability (Asset)	\$163,168
Proportion of the Net OPEB Liability (Asset) -2023	0.025878%
Proportion of the Net OPEB Liability (Asset) -2022	0.025689%
Percentage Change	0.000189%
OPEB Expense	(\$398,076)

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**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023**

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**NOTE 8 - DEFINED BENEFIT OPEB PLAN (Continued)**

At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS
<b>Deferred Outflows of Resources</b>	
Changes of assumptions	\$159,368
Net difference between projected and actual earnings on pension plan investments	324,053
City contributions subsequent to the measurement date	0
Total Deferred Outflows of Resources	\$483,421
<b>Deferred Inflows of Resources</b>	
Net difference between projected and actual earnings on OPEB plan investments	\$0
Changes in assumptions	13,114
Differences between expected and actual experience	40,701
Change in proportionate share	0
Total Deferred Inflows of Resources	\$53,815

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS
Year Ending December 31:	
2024	\$53,502
2025	118,510
2026	101,050
2027	156,544
Total	\$429,606

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

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**NOTE 8 - DEFINED BENEFIT OPEB PLAN (Continued)**

***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 and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	2.75 percent
Projected Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	5.22 percent
Prior measurement date	6.00 percent
Investment Rate of Return:	
Current measurement date	6.00 percent
Prior measurement date	6.00 percent
Municipal Bond Rate:	
Current measurement date	4.05 percent
Prior measurement date	1.84 percent
Health Care Cost Trend Rate:	
Current measurement date	5.5 percent initial, 3.5 percent ultimate in 2036
Prior measurement date	5.5 percent initial, 3.5 percent ultimate in 2034
Actuarial Cost Method	Individual Entry Age Normal

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five year period ended December 31, 2020.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

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**NOTE 8 - DEFINED BENEFIT OPEB PLAN (Continued)**

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contributions are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 15.6 percent for 2022.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by OPERS investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	34.00 %	2.56 %
Domestic Equities	26.00	4.60
Real Estate Investment Trust	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other investments	6.00	1.84
Total	<u>100.00 %</u>	

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

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**NOTE 8 - DEFINED BENEFIT OPEB PLAN (Continued)**

***Discount Rate*** A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022. A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05 percent (Fidelity Index’s “20-Year Municipal GO AA Index”).

The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2054, the duration of the projection period through which projected health care payments are fully funded.

***Sensitivity of the City’s Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate*** The following table presents the City’s proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 5.22 percent, as well as what the City’s proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (4.22 percent) or one-percentage-point higher (6.22 percent) than the current rate:

	1% Decrease (4.22%)	Current Discount Rate (5.22%)	1% Increase (6.22%)
City's proportionate share of the net OPEB liability (asset)	\$555,342	\$163,168	(\$160,444)

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

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**NOTE 8 - DEFINED BENEFIT OPEB PLAN (Continued)**

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Health Care Cost Trend Rate*** Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability (asset). The following table presents the net OPEB liability (asset) calculated using the assumed trend rates and the expected net OPEB liability (asset) if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	<u>1% Decrease</u>	<u>Current Health Care Cost Trend Rate Assumption</u>	<u>1% Increase</u>
City's proportionate share of the net OPEB liability (asset)	\$152,939	\$163,168	\$174,677

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023**

**NOTE 9 - DEBT AND OTHER LONG-TERM OBLIGATIONS**

Detail of the changes in debt and other long-term obligations of the District for the year ended December 31, 2023 is as follows:

				Balance December 31, 2022	Additions	Deductions	Balance December 31, 2023	Amount Due Within One Year
<b>Governmental Activities:</b>								
<b>Debt:</b>								
Long Term Note:								
	Ford Nature Center	2.99%	2029	\$2,945,634	\$0	(\$383,833)	\$2,561,801	\$395,341
<b>Other Long-term Obligations:</b>								
	Lease Payable			458,546	0	(106,205)	352,341	111,638
	Compensated Absences			404,781	79,575	(105,561)	378,795	78,395
	<b>Total Debt and Other Long-Term Obligations</b>			<u>\$3,808,961</u>	<u>\$79,575</u>	<u>(\$595,599)</u>	<u>\$3,292,937</u>	<u>\$585,374</u>

**Long-Term Note** - In May 2020 the District issued a \$3,500,000 note. The note was issued for the purpose of completing certain renovations and improvements to the Ford Nature Center. The note carries an interest rate of 2.99% and matures in 2029.

Principal and interest requirements to retire long-term debt outstanding at December 31, 2023 are as follows:

Years	Long Term Note		
	Principal	Interest	Totals
2024	\$395,341	\$74,873	\$470,214
2025	407,633	62,582	470,215
2026	420,084	50,131	470,215
2027	432,916	37,299	470,215
2028	446,063	24,152	470,215
2029	459,764	10,451	470,215
Totals	<u>\$2,561,801</u>	<u>\$259,488</u>	<u>\$2,821,289</u>

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**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023**

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**NOTE 10 – LEASES**

**A. Leases Receivable**

The District leases retail space as lessor.

Total lease receivable balances at December 31, 2023 are as follows:

Fund	Leases Receivable
Garden Cafe	\$41,029
Total Leases Receivable	\$41,029

**B. Leases Payable**

The District leases golf carts. The lease term is four years and matures in 2026.

The following is a schedule of future lease payments as of December 31, 2023:

Years	Leases Payable - Governmental Activities		
	Principal	Interest	Total
2024	\$111,638	\$20,515	\$132,153
2025	117,350	15,082	132,432
2026	123,353	9,370	132,723
2027	0	3,366	3,366
Totals	\$352,341	\$48,333	\$400,674

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2023***

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**NOTE 11 - RISK MANAGEMENT**

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

**Risk Pool Membership**

The District is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the District's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2023</u>
Cash and investments	\$43,996,442
Actuarial liabilities	\$19,743,401

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

Workers' Compensation claims are covered through the District's participation in the State of Ohio's program. The District pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.



**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

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**NOTE 12 - SIGNIFICANT COMMITMENTS**

At December 31, 2023 the District had encumbrance commitments in the Governmental Funds as follows:

Fund	Encumbrances
General Fund	\$1,852,405
Other Governmental Funds	66,861
Total Governmental Funds	\$1,919,266

The District had the following contractual commitments at December 31, 2023:

Project	Remaining Contractual Commitment	Expected Date of Completion
Exhibit Construction at Ford Nature Center	\$95,308	June 2024
Golf Course CXT (Restroom) Installation	48,690	June 2024
East Newport Drive Improvements	14,915	June 2024
Wick Recreation Center Redevelopment	152,873	June 2024
East Park Hike and Bike Trail Phase II	7,428	June 2024
Golf Course Indoor Training Center	31,498	June 2024
Vickers Nature Preserve Improvements Phase II	115,166	June 2024
	\$465,878	

**NOTE 13 - CONTINGENT LIABILITIES**

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at December 31, 2023.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2023***

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**NOTE 14 – CHANGE IN ACCOUNTING PRINCIPLE**

For 2023 the District implemented Governmental Accounting Standards Board (GASB) Statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangements,” and Statement No. 96, “Subscription-Based Information Technology Arrangements.”

GASB Statement No. 94 clarifies accounting and financial reporting requirements for public-private and public-public partnership arrangements and availability payment arrangements.

GASB Statement No. 96 provides guidance on accounting and financial reporting for subscription-based information technology arrangements for government end users.

The implementation of these Statements had no effect on beginning net position/fund balance.

*MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO*

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*REQUIRED SUPPLEMENTARY INFORMATION*

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**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Schedule of District's Proportionate Share of the Net Pension Liability  
Last Ten Years***

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**Ohio Public Employees Retirement System**

Fiscal Year	2014	2015	2016	2017
District's proportion of the net pension liability (asset)	0.037853%	0.037853%	0.034535%	0.029901%
District's proportionate share of the net pension liability (asset)	\$4,462,376	\$4,565,496	\$5,981,919	\$6,789,915
District's covered payroll	\$4,622,537	\$4,509,778	\$4,133,194	\$3,626,331
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	96.54%	101.24%	144.73%	187.24%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%	77.25%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Notes: The District implemented GASB Statement 68 in 2015.

The schedule is reported as of the measurement date of the Net Pension Liability, which is the prior year end.

See notes to the required supplementary information

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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2018	2019	2020	2021	2022	2023
0.028331%	0.028230%	0.028170%	0.025033%	0.024944%	0.025055%
\$4,444,554	\$7,731,627	\$5,567,995	\$3,706,843	\$2,170,230	\$7,401,260
\$3,561,397	\$3,634,434	\$3,768,218	\$3,340,740	\$3,433,703	\$3,659,564
124.80%	212.73%	147.76%	110.96%	63.20%	202.24%
84.66%	74.70%	82.17%	86.88%	92.62%	75.74%

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Schedule of District Pension Contributions  
Last Ten Years***

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**Ohio Public Employees Retirement System**

Fiscal Year	2014	2015	2016	2017
Contractually required contribution	\$564,746	\$519,817	\$466,233	\$487,362
Contributions in relation to the contractually required contribution	<u>564,746</u>	<u>519,817</u>	<u>466,233</u>	<u>487,362</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District's covered payroll	\$4,509,778	\$4,133,194	\$3,626,331	\$3,561,397
Contributions as a percentage of covered payroll	12.52%	12.58%	12.86%	13.68%

Source: Treasurer and the Ohio Public Employees Retirement System

Notes: The District implemented GASB Statement 68 in 2015.

See notes to the required supplementary information

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$534,021	\$554,606	\$493,337	\$506,830	\$541,114	\$586,652
<u>534,021</u>	<u>554,606</u>	<u>493,337</u>	<u>506,830</u>	<u>541,114</u>	<u>586,652</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$3,634,434	\$3,768,218	\$3,340,740	\$3,433,703	\$3,659,564	\$3,988,669
14.69%	14.72%	14.77%	14.76%	14.79%	14.71%

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Schedule of District's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability (Asset) Last Seven Years***

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**Ohio Public Employees Retirement System**

Year	2017	2018	2019
District's proportion of the net OPEB liability (asset)	0.029725%	0.028423%	0.028412%
District's proportionate share of the net OPEB liability (asset)	\$3,002,328	\$3,086,498	\$3,704,255
District's covered payroll	\$3,626,331	\$3,561,397	\$3,634,434
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	82.79%	86.67%	101.92%
Plan fiduciary net position as a percentage of the total OPEB liability	54.50%	54.14%	46.33%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Notes: The District implemented GASB Statement 75 in 2018.

Information prior to 2017 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability.

See notes to the required supplementary information



**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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2020	2021	2022	2023
0.028723%	0.025518%	0.025689%	0.025878%
\$3,967,393	(\$454,622)	(\$804,618)	\$163,168
\$3,768,218	\$3,340,740	\$3,433,703	\$3,988,669
105.29%	(13.61%)	(23.43%)	4.09%
47.80%	115.57%	128.23%	94.79%

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Schedule of District's Other Postemployment Benefit (OPEB) Contributions  
Last Ten Years***

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**Ohio Public Employees Retirement System**

Year	2014	2015	2016	2017
Contractually required contribution	\$90,196	\$82,664	\$72,527	\$35,614
Contributions in relation to the contractually required contribution	90,196	82,664	72,527	35,614
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
District's covered payroll	\$4,509,778	\$4,133,194	\$3,626,331	\$3,561,397
Contributions as a percentage of covered payroll	2.00%	2.00%	2.00%	1.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Notes: The District implemented GASB Statement 75 in 2018.

See notes to the required supplementary information

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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2018	2019	2020	2021	2022	2023
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0
\$3,634,434	\$3,768,218	\$3,340,740	\$3,433,703	\$3,659,564	\$3,988,669
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Required Supplementary Information***  
***For the Year Ended December 31, 2023***

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**NET PENSION LIABILITY**

**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

*Changes in benefit terms:* There were no changes in benefit terms for the period 2014-2023.

*Changes in assumptions:*

2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%
- Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table.

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2019: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 7.50% to 7.20%

2020: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 3.00% to 1.4% for post 1/7/13 retirees.

2021: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 1.4% to 0.5% for post 1/7/13 retirees.

2022: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 0.5% to 3.00% for post 1/7/13 retirees.
- Reduction in actuarial assumed rate of return from 7.20% to 6.90%.
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

2023: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Required Supplementary Information  
For the Year Ended December 31, 2023***

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**NET OPEB LIABILITY (ASSET)**

**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

*Changes in benefit terms:* There were no changes in benefit terms for the periods 2018-2021, and 2023.

2022: Group plans for non-Medicare retirees and re-employed retirees replaced with individual medical plans. OPERS will provide a subsidy or allowance via an HRA.

*Changes in assumptions:*

For 2018, the single discount rate changed from 4.23% to 3.85%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.85% to 3.96%.
- Reduction in actuarial assumed rate of return from 6.50% to 6.00%
- Change in health care cost trend rate from 7.5% to 10%
- The Municipal Bond Rate changed from 3.31% to 3.71%

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.96% to 3.16%.
- Change in health care cost trend rate from 10.0% to 10.5%
- The Municipal Bond Rate changed from 3.71% to 2.75%

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.16% to 6.00%.
- Change in health care cost trend rate from 10.5% to 8.5%
- The Municipal Bond Rate changed from 2.75% to 2.00%

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- Change in health care cost trend rate from 8.5% to 5.5%
- The Municipal Bond Rate changed from 2.00% to 1.84%
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The Municipal Bond Rate changed from 1.84% to 4.05%
- The single discount rate changed from 6.00% to 5.22%.

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**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Management's Discussion and Analysis - Unaudited***  
***For the Year Ended December 31, 2022***

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The discussion and analysis of the Mill Creek Metropolitan Park District's (the District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2022. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

**Key financial highlights for 2022 are as follows:**

- ❑ Net position increased \$5,007,293, which represents a 21% increase from 2021.
- ❑ General revenues accounted for \$9,138,171 in revenue or 70% of all revenues. Program specific revenues in the form of charges for services, grants and contributions accounted for \$3,929,454 or 30% of total revenues of \$13,067,625.
- ❑ The District had \$8,060,332 in expenses related to governmental activities; only \$3,929,454 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily property taxes and unrestricted intergovernmental revenues) of \$9,138,171 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$11,509,046 in revenues and \$11,899,020 in expenditures. The general fund's fund balance decreased \$181,428 to \$5,446,553.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of two parts – *management's discussion and analysis* and the *basic financial statements*. The basic financial statements include two kinds of statements that present different views of the District:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the District's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

---

***Management's Discussion and Analysis - Unaudited***  
***For the Year Ended December 31, 2022***

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**Government-wide Statements**

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, liabilities, and deferred outflows/inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how it has changed. Net-position is one way to measure the District's financial health.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial health is improving or deteriorating.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as the District's tax base and the condition of the District's capital assets.

The government-wide financial statements of the District are reported in the following category:

- *Governmental Activities* – All of the District's basic services are reported here, including administration, park operations, golf course operations and law enforcement. State and federal grants, property taxes and user fees finance most of these activities.

**Fund Financial Statements**

The fund financial statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

***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 available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be 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 you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. 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.



**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

**Management's Discussion and Analysis - Unaudited**  
**For the Year Ended December 31, 2022**

**Government-Wide Financial Analysis**

The following table provides a comparison of the District's net position at December 31, 2022 and 2021:

	Governmental	
	Activities	
	2022	2021
Current and Other Assets	\$16,190,725	\$15,644,679
Net OPEB Asset	804,618	454,622
Capital Assets, Net	29,190,953	26,094,596
Total Assets	<u>46,186,296</u>	<u>42,193,897</u>
Deferred Outflows of Resources	923,134	730,328
Net Pension Liability	2,170,230	3,706,843
Long-Term Liabilities	3,808,961	3,697,871
Other Liabilities	861,013	465,399
Total Liabilities	<u>6,840,204</u>	<u>7,870,113</u>
Deferred Inflows of Resources	11,185,951	10,978,130
Net Position		
Net Investment in Capital Assets	25,473,614	22,776,506
Restricted	1,350,252	846,813
Unrestricted	2,259,409	452,663
Total Net Position	<u>\$29,083,275</u>	<u>\$24,075,982</u>

The net pension liability (NPL) is reported by the District pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net OPEB liability (NOL) is reported by the District pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." 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 OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Management's Discussion and Analysis - Unaudited***  
***For the Year Ended December 31, 2022***

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GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the District's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB 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 and other postemployment benefits. GASB noted that the unfunded portion of this 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 these liabilities. 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 Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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 retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *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 retirement system is responsible for the administration of the pension and OPEB plans.

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 or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, 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 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 and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Management's Discussion and Analysis - Unaudited  
For the Year Ended December 31, 2022***

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Changes in Net Position – The following table provides the change in net position for fiscal years 2022 and 2021:

	Governmental Activities	
	2022	2021
Revenues		
Program Revenues:		
Charges for Services and Sales	\$2,204,464	\$2,006,389
Operating Grants and Contributions	229,833	391,626
Capital Grants and Contributions	1,495,157	1,103,550
Total Program Revenues	3,929,454	3,501,565
General Revenues:		
Property Taxes	7,450,083	7,321,379
Intergovernmental Revenue, Unrestricted	1,288,011	1,268,739
Investment Earnings	130,736	77,090
Miscellaneous	269,341	248,724
Total General Revenues	9,138,171	8,915,932
Total Revenues	13,067,625	12,417,497
Program Expenses		
Administration	2,106,840	1,558,862
Park Operations	3,853,013	2,412,024
Golf Course	1,255,509	894,449
Law Enforcement	747,211	252,320
Interest and Fiscal Charges	97,759	105,813
Total Expenses	8,060,332	5,223,468
Change in Net Position	5,007,293	7,194,029
Beginning Net Position	24,075,982	16,881,953
Ending Net Position	\$29,083,275	\$24,075,982

***Governmental Activities***

The District's net position increased \$5,007,293 in 2022.

Revenues were consistent with the prior year. Capital grants and contributions included Ohio Public Works Commission Clean Ohio Conservation Fund grants for improvements at the Hawkins, Marsh, Marigold Preserve. This project will add a parking lot, primitive hiking trails, and undertake several acres of ecological restoration. Future improvements include benches, a kiosk, facility and interpretive education signage.

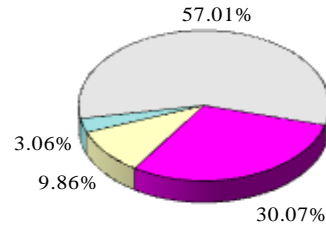
A substantial decrease in expenses in the prior year due to changes in the Net Pension and OPEB liabilities resulted in a subsequent increase in expenses in 2022.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

***Management's Discussion and Analysis - Unaudited  
For the Year Ended December 31, 2022***

Property taxes made up 57% of revenues for the District in fiscal year 2022. The District's reliance upon tax revenues is demonstrated by the following graph:

Revenue Sources	2022	Percent of Total
Property Taxes	\$7,450,083	57.01%
Program Revenues	3,929,454	30.07%
Intergovernmental, Unrestricted	1,288,011	9.86%
General Other	400,077	3.06%
Total Revenue	<u>\$13,067,625</u>	<u>100.00%</u>



The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

General Fund original estimated revenues, final estimated revenues, and actual budget basis revenues were not materially different. Original and final budgeted expenditures were not materially different. Actual budget basis expenditures were 13% less than final budget appropriations due to controlled costs across all District departments.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

The District's governmental funds reported a combined fund balance of \$6,474,599, which is an increase from last year's balance of \$6,473,913. The schedule below indicates the fund balance and the total change in fund balance at December 31, 2022 and 2021:

	Fund Balance December 31, 2022	Fund Balance December 31, 2021	Increase (Decrease)
General	\$5,446,553	\$5,627,981	(\$181,428)
Other Governmental	1,028,046	845,932	182,114
Total	<u>\$6,474,599</u>	<u>\$6,473,913</u>	<u>\$686</u>

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Management's Discussion and Analysis - Unaudited  
For the Year Ended December 31, 2022***

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General Fund – The District’s General Fund balance change is due to several factors. The tables that follow assist in illustrating the financial activities of the General Fund:

	2022 Revenues	2021 Revenues	Increase (Decrease)
Property Taxes	\$7,484,595	\$7,328,473	\$156,122
Intergovernmental Revenues	1,285,573	1,266,957	18,616
Fines and Forfeitures	1,620	2,847	(1,227)
Charges for Services	2,201,199	2,001,344	199,855
Donations	311,978	367,455	(55,477)
Investment Earnings	109,812	75,631	34,181
All Other Revenue	114,269	102,223	12,046
<b>Total</b>	<b>\$11,509,046</b>	<b>\$11,144,930</b>	<b>\$364,116</b>

General Fund revenues increased 3% in 2022. This increase can mostly be attributed to an increase in charges for services, as District activities returned to pre-pandemic levels.

	2022 Expenditures	2021 Expenditures	Increase (Decrease)
Administration	\$2,455,711	\$2,191,161	\$264,550
Park Operations	6,012,732	4,782,007	1,230,725
Golf Course	1,988,904	1,481,005	507,899
Law Enforcement	1,441,673	1,260,301	181,372
<b>Total</b>	<b>\$11,899,020</b>	<b>\$9,714,474</b>	<b>\$2,184,546</b>

General Fund expenditures increased \$2,184,546, or 22% when compared with the previous year. An increase in park operations included renovations to the Wick Recreation Area Warming House and Ford Nature Center. Also contributing to the increase in park operations was an increase in community engagement and education expenditures.

The issuance of a new lease for golf carts contributed to the increase in golf course expenditures. The increase in law enforcement can mostly be attributed to the purchase of police cruisers.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

***Management's Discussion and Analysis - Unaudited***  
***For the Year Ended December 31, 2022***

**CAPITAL ASSETS AND DEBT**

***Capital Assets***

At the end of 2022 the District had \$29,190,953 net of accumulated depreciation invested in land, construction in progress, land improvements, buildings and improvements, machinery and equipment, right-to-use assets, and infrastructure. The following table shows fiscal year 2022 and 2021 balances:

	Governmental Activities		Increase (Decrease)
	2022	2021	
Land	\$5,112,249	\$4,370,716	\$741,533
Construction In Progress	1,147,274	741,533	405,741
Land Improvements	5,139,744	4,519,354	620,390
Buildings and Improvements	23,134,984	21,657,442	1,477,542
Infrastructure	13,996,205	13,566,215	429,990
Machinery and Equipment	6,056,877	5,696,886	359,991
Intangible Right-to-use Assets: Equipment	458,546	0	458,546
Less: Accumulated Depreciation	<u>(25,854,926)</u>	<u>(24,457,550)</u>	<u>(1,397,376)</u>
Totals	<u>\$29,190,953</u>	<u>\$26,094,596</u>	<u>\$3,096,357</u>

Capital asset additions included renovations to the Ford Nature Center, renovations to the Wick Warming House, parking lot improvements, bike path improvements, police cruisers, and other various machinery and equipment. Land additions included land purchases near the Mill Creek Wildlife Sanctuary and Springfield Township.

Additional information on the District's capital assets can be found in Note 7.

***Debt and Other Long-Term Obligations***

The following table summarizes the District's debt and other long-term obligations outstanding as of December 31, 2022 and 2021:

	2022	2021
Governmental Activities:		
Long-Term Note	\$2,945,634	\$3,318,090
Lease Payable	458,546	0
Compensated Absences	<u>404,781</u>	<u>379,781</u>
Total Governmental Activities	<u>\$3,808,961</u>	<u>\$3,697,871</u>

Additional information on the District's long term liabilities can be found in Note 10.

***MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO***

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***Management's Discussion and Analysis - Unaudited  
For the Year Ended December 31, 2022***

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**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to reflect the District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Nick Morchak, Finance Director/Treasurer, Mill Creek Metropolitan Park District, 7574 Columbiana-Canfield Road, Canfield, Ohio 44406, or by calling 330-702-3000.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

**Statement of Net Position  
December 31, 2022**

	<b>Governmental Activities</b>	<b>Component Unit Mill Creek MetroParks Foundation</b>
<b>Assets:</b>		
Pooled Cash and Investments	\$ 6,815,350	\$ 0
Cash and Cash Equivalents	0	122,445
Receivables:		
Property Taxes	8,563,800	0
Accounts	56,882	0
Intergovernmental	634,663	0
Leases	60,058	0
Prepaid Items	36,512	0
Restricted Assets:		
Cash and Cash Equivalents	23,460	576,344
Investments	0	4,225,135
Net OPEB Asset	804,618	0
Non-Depreciable Capital Assets	6,259,523	0
Depreciable Capital Assets, Net	22,931,430	0
<b>Total Assets</b>	<b>46,186,296</b>	<b>4,923,924</b>
<b>Deferred Outflows of Resources:</b>		
Pension	923,134	0
<b>Total Deferred Outflows of Resources</b>	<b>923,134</b>	<b>0</b>
<b>Liabilities:</b>		
Accounts Payable	393,893	0
Accrued Wages and Benefits Payable	233,781	0
Intergovernmental Payable	3,340	0
Unearned Revenue	206,539	0
Refundable Deposits	23,460	0
Noncurrent Liabilities:		
Due Within One Year	595,599	0
Due in More Than One Year:		
Net Pension Liability	2,170,230	0
Other Amounts Due in More Than One Year	3,213,362	0
<b>Total Liabilities</b>	<b>6,840,204</b>	<b>0</b>

(Continued)



**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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	<b>Governmental Activities</b>	<b>Component Unit Mill Creek MetroParks Foundation</b>
<b>Deferred Inflows of Resources:</b>		
Property Tax Levy for Next Fiscal Year	7,415,194	0
Leases	60,058	0
Pension	2,774,443	0
OPEB	936,256	0
<b>Total Deferred Inflows of Resources</b>	<b>11,185,951</b>	<b>0</b>
<b>Net Position:</b>		
Net Investment in Capital Assets	25,473,614	0
Restricted For:		
Capital Projects	1,331,140	0
Other Purposes	19,112	0
Unrestricted	2,259,409	0
Without Donor Restrictions:		
Board Designated	0	729,792
Undesignated	0	338,691
With Donor Restrictions	0	3,855,441
<b>Total Net Position</b>	<b>\$ 29,083,275</b>	<b>\$ 4,923,924</b>

See accompanying notes to the basic financial statements

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Statement Of Activities  
For The Year Ended December 31, 2022**

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	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
Administration	\$ 2,106,840	\$ 0	\$ 0	\$ 0
Park Operations	3,853,013	914,117	130,253	1,485,368
Golf Course	1,255,509	1,287,082	0	0
Law Enforcement	747,211	3,265	1,821	9,789
Interest and Fiscal Charges	97,759	0	97,759	0
<b>Total Primary Government</b>	<b>\$ 8,060,332</b>	<b>\$ 2,204,464</b>	<b>\$ 229,833</b>	<b>\$ 1,495,157</b>
<b>Component Unit:</b>				
Mill Creek MetroParks Foundation	\$ 754,876	\$ 0	\$ 870,891	\$ 0

**General Revenues:**

Property Taxes  
Intergovernmental Revenues, Unrestricted  
Investment Earnings  
Miscellaneous  
Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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Net (Expense) Revenue and Changes in Net Position	Component Unit
Governmental Activities	Mill Creek MetroParks Foundation
\$ (2,106,840)	
(1,323,275)	
31,573	
(732,336)	
0	
<u>\$ (4,130,878)</u>	
	<u>\$ 116,015</u>
7,450,083	0
1,288,011	0
130,736	(537,108)
269,341	0
<u>9,138,171</u>	<u>(537,108)</u>
5,007,293	(421,093)
24,075,982	5,345,017
<u>\$ 29,083,275</u>	<u>\$ 4,923,924</u>

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

**Balance Sheet**  
**Governmental Funds**  
**December 31, 2022**

	General	Other Governmental Funds	Total Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Assets:</b>			
Pooled Cash and Investments	\$ 5,663,610	\$ 1,151,740	\$ 6,815,350
Receivables:			
Property Taxes	8,563,800	0	8,563,800
Accounts	25,950	30,932	56,882
Intergovernmental	634,663	0	634,663
Leases	60,058	0	60,058
Prepaid Items	36,512	0	36,512
Restricted Assets:			
Cash and Cash Equivalents	23,460	0	23,460
<b>Total Assets</b>	<u>\$ 15,008,053</u>	<u>\$ 1,182,672</u>	<u>\$ 16,190,725</u>
<b>Liabilities:</b>			
Accounts Payable	\$ 248,314	\$ 145,579	\$ 393,893
Accrued Wages and Benefits Payable	233,781	0	233,781
Intergovernmental Payable	3,340	0	3,340
Unearned Revenue	206,539	0	206,539
Refundable Deposits	23,460	0	23,460
<b>Total Liabilities</b>	<u>715,434</u>	<u>145,579</u>	<u>861,013</u>
<b>Deferred Inflows of Resources:</b>			
Unavailable Amounts	1,370,814	9,047	1,379,861
Property Tax Levy for Next Fiscal Year	7,415,194	0	7,415,194
Leases	60,058	0	60,058
<b>Total Deferred Inflows of Resources</b>	<u>8,846,066</u>	<u>9,047</u>	<u>8,855,113</u>
<b>Fund Balances:</b>			
Nonspendable	40,020	0	40,020
Restricted	0	1,028,046	1,028,046
Assigned	4,686,791	0	4,686,791
Unassigned	719,742	0	719,742
<b>Total Fund Balances</b>	<u>5,446,553</u>	<u>1,028,046</u>	<u>6,474,599</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 15,008,053</u>	<u>\$ 1,182,672</u>	<u>\$ 16,190,725</u>

See accompanying notes to the basic financial statements

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Reconciliation Of Total Governmental Fund Balances  
To Net Position Of Governmental Activities  
December 31, 2022***

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<b>Total Governmental Fund Balances</b>		\$ 6,474,599
 <i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		29,190,953
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		1,379,861
The net pension/OPEB 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	923,134	
Deferred Inflows - Pension	(2,774,443)	
Net Pension Liability	(2,170,230)	
Deferred Inflows - OPEB	(936,256)	
Net OPEB Asset	804,618	(4,153,177)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Long Term Note Payable	(2,945,634)	
Lease Payable	(458,546)	
Compensated Absences Payable	(404,781)	(3,808,961)
 <b><i>Net Position of Governmental Activities</i></b>		 <b><u>\$ 29,083,275</u></b>

See accompanying notes to the basic financial statements

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2022**

	General	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>			
Property Taxes	\$ 7,484,595	\$ 0	\$ 7,484,595
Intergovernmental Revenues	1,285,573	957,431	2,243,004
Fines and Forfeitures	1,620	1,645	3,265
Charges for Services	2,201,199	0	2,201,199
Gas Royalties	0	146,906	146,906
Donations	311,978	470,215	782,193
Investment Earnings	109,812	20,924	130,736
All Other Revenue	114,269	0	114,269
<b>Total Revenues</b>	<b>11,509,046</b>	<b>1,597,121</b>	<b>13,106,167</b>
<b>Expenditures:</b>			
Current:			
Administration	2,455,711	0	2,455,711
Park Operations	6,012,732	0	6,012,732
Golf Course	1,988,904	0	1,988,904
Law Enforcement	1,441,673	30	1,441,703
Capital Outlay	0	1,194,762	1,194,762
Debt Service:			
Principal Retirement	0	372,456	372,456
Interest and Fiscal Charges	0	97,759	97,759
<b>Total Expenditures</b>	<b>11,899,020</b>	<b>1,665,007</b>	<b>13,564,027</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(389,974)	(67,886)	(457,860)
<b>Other Financing Sources (Uses):</b>			
Lease Issuance	458,546	0	458,546
Transfers In	0	250,000	250,000
Transfers Out	(250,000)	0	(250,000)
<b>Total Other Financing Sources (Uses)</b>	<b>208,546</b>	<b>250,000</b>	<b>458,546</b>
Net Change in Fund Balance	(181,428)	182,114	686
<b>Fund Balances at Beginning of Year</b>	<b>5,627,981</b>	<b>845,932</b>	<b>6,473,913</b>
<b>Fund Balances End of Year</b>	<b>\$ 5,446,553</b>	<b>\$ 1,028,046</b>	<b>\$ 6,474,599</b>

See accompanying notes to the basic financial statements

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

***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, 2022***

**Net Change in Fund Balances - Total Governmental Funds** \$ 686

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital Outlay	4,530,043	
Depreciation Expense	(1,430,072)	3,099,971

The net effect of various miscellaneous transactions involving capital assets (i.e. disposals and donations) is to increase net position.

The statement of activities reports losses arising from the disposal of capital assets. Conversely, the governmental funds do not report any loss on the disposal of capital assets.		(3,614)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(38,542)
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Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

Pension	541,114	
OPEB	0	541,114

Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.

Pension	669,187	
OPEB	849,581	1,518,768

The issuance of long-term debt (e.g. notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Lease Issuance	(458,546)	
Long Term Note Principal Retirement	372,456	(86,090)

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

Compensated Absences		(25,000)
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<b><i>Change in Net Position of Governmental Activities</i></b>		<b><u>\$ 5,007,293</u></b>
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See accompanying notes to the basic financial statements

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Year Ended December 31, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 7,400,000	\$ 7,400,000	\$ 7,456,821	\$ 56,821
Intergovernmental Revenues	1,283,500	1,283,500	1,284,884	1,384
Fines and Forfeitures	1,700	1,700	1,770	70
Charges for Services	2,098,722	2,098,722	2,285,682	186,960
Donations	318,500	318,500	319,389	889
Investment Earnings	100,000	100,000	109,812	9,812
All Other Revenue	111,922	111,922	112,677	755
Total Revenues	<u>11,314,344</u>	<u>11,314,344</u>	<u>11,571,035</u>	<u>256,691</u>
<b>Expenditures:</b>				
Current:				
Administration	3,055,411	3,112,718	2,712,256	400,462
Park Operations	8,361,511	8,518,341	7,422,426	1,095,915
Golf Course	1,768,571	1,801,743	1,569,942	231,801
Law Enforcement	1,689,534	1,721,223	1,499,782	221,441
Total Expenditures	<u>14,875,027</u>	<u>15,154,025</u>	<u>13,204,406</u>	<u>1,949,619</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,560,683)	(3,839,681)	(1,633,371)	2,206,310
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(825,000)	(825,000)	(250,000)	575,000
Total Other Financing Sources (Uses):	<u>(825,000)</u>	<u>(825,000)</u>	<u>(250,000)</u>	<u>575,000</u>
Net Change in Fund Balance	(4,385,683)	(4,664,681)	(1,883,371)	2,781,310
Fund Balance at Beginning of Year	4,305,976	4,305,976	4,305,976	0
Prior Year Encumbrances	1,368,092	1,368,092	1,368,092	0
Fund Balance at End of Year	<u>\$ 1,288,385</u>	<u>\$ 1,009,387</u>	<u>\$ 3,790,697</u>	<u>\$ 2,781,310</u>

See accompanying notes to the basic financial statements



**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The constitution and laws of the State of Ohio Revised Code Section 1545 establish the rights and privileges of the Mill Creek Metropolitan Park District, Mahoning County, (the District) as a body corporate and politic. The probate judge of Mahoning County appoints a five member Board of Commissioners to govern the Park District. The Commissioners are authorized to acquire, develop, protect, maintain, and improve park lands and facilities. The Commissioners may convert acquired land into forest reserves. The Commissioners are also responsible for activities related to conserving natural resources, including streams, lakes, submerged lands, and swamp lands. The Board may also create parks, parkways, and other reservations and may afforest, develop, improve and protect, and promote the use of these assets conducive to the general welfare.

The reporting entity is comprised of the primary government, component units and other organizations that were included to ensure the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*," as amended by GASB Statement No. 39, "*Determining Whether Certain Organizations Are Component Units*," and GASB Statement No. 61, "*The Financial Reporting Entity - Omnibus*" in that the financial statements include all organizations, activities, functions and component units for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on, the District. Based on the foregoing, the District has one component unit, the Mill Creek MetroParks Foundation.

*Discretely Presented Component Unit* - The component unit column in the government-wide financial statements includes the financial data of the District's component unit. It is reported in a separate column to emphasize that it is legally separate from the District. The Mill Creek MetroParks Foundation was created in March of 1979 and is operated exclusively for charitable and educational purposes, to wit, for the purpose of making capital improvements within the District. The Foundation is a tax exempt trust as determined by 501(c) (3) of the Internal Revenue Code. The Foundation Board includes two members from the District Board, three members selected by the District Board, and two members selected by the Mahoning County Probate Judge.

If you wish to request financial documents from the Mill Creek MetroParks Foundation Board of Directors, they can be reached at [info@lovemillcreek.org](mailto:info@lovemillcreek.org). The Foundation will review your request at their next quarterly meeting.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**A. Reporting Entity** (Continued)

The accounting policies and financial reporting practices of the District conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies.

**B. Basis of Presentation - Fund Accounting**

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund equity, revenues and expenditures/expenses.

***Governmental Funds*** - These are funds through which most governmental functions typically are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following is the District's only major governmental fund:

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

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

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**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements**

**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 the financial activities of the primary government.

The government-wide statements are prepared using the economic resources measurement focus. This approach differs from the manner in which governmental fund 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.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program 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 and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

**Fund Financial Statements** – Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, current liabilities, and deferred outflows/inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

**D. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Accounting (Continued)**

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the District is considered to be 60 days after fiscal year end.

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Revenue considered susceptible to accrual at year end includes interest on investments and grants and entitlements. Other revenue, including fines, fees, sales, certain charges for services and miscellaneous revenues are recorded as revenue when received in cash because generally these revenues are not measurable until received.

Property taxes measurable as of December 31, 2022 but which are not intended to finance 2022 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred inflows of resources. Property taxes are further described in Note 4.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements. Revenues are recognized when they are earned and expenses are recognized when incurred.

***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.

Nonexchange 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 fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Accounting** (Continued)

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

**E. Budgetary Process**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. 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 certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year.

All governmental funds are legally required to be budgeted and appropriated. The legal level of budgetary control is at the object level. Budgetary modifications must be approved by the District Board.

1. **Tax Budget**

The District Treasurer/Administrative Services Director submits an annual tax budget for the following fiscal year to the District Board of Commissioners by July 15 for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year. This requirement is waived by the County Budget Commission.

2. **Estimated Resources**

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the District by September 1 of each year. As part of the certification process, the District receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2022.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process** (Continued)

3. Appropriations

A temporary appropriation resolution to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation resolution must be passed by April 1 of each year for the period January 1 through December 31. The appropriation resolution establishes spending controls at the fund, function, and object level, and may be modified during the year by resolution of the District Board of Commissioners. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the General Fund is presented on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

4. Lapsing of Appropriations

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

5. Budgetary Basis of Accounting

The District's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

**5. Budgetary Basis of Accounting (Continued)**

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement for the General Fund:

	Net Change in Fund Balance
	General Fund
GAAP Basis (as reported)	(\$181,428)
Increase (Decrease):	
Accrued Revenues at December 31, 2022 received during 2023	(438,405)
Accrued Revenues at December 31, 2021 received during 2022	416,140
Accrued Expenditures at December 31, 2022 paid during 2023	715,434
Accrued Expenditures at December 31, 2021 paid during 2022	(465,399)
2022 Prepays for 2023	(36,512)
Outstanding Encumbrances	(1,892,865)
Perspective Difference:	
Activity of Funds Reclassified for GAAP Reporting Purposes	(336)
Budget Basis	(\$1,883,371)

**F. Cash and Investments**

Cash and cash equivalents include amounts in demand deposits and a money market account.

The District pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. See Note 3, "Cash, Cash Equivalents and Investments."

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

---

***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The District allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*" and GASB Statement No. 72, "*Fair Value Measurement and Application*," the District records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statements.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. See Note 3, "Cash, Cash Equivalents and Investments."

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**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

---

***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

---

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**H. Capital Assets and Depreciation**

Capital assets are defined by the District as assets with an initial, individual cost of more than \$3,000.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at acquisition value at the date received. Capital assets include land, construction in progress, land improvements, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

2. Depreciation

All capital assets, other than land and construction in progress, are depreciated. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (in Years)</u>
Land Improvements	15 - 40
Buildings and Improvements	15 - 50
Infrastructure	10 - 30
Machinery and Equipment	5 - 15
Right-to-use Asset: Equipment	4

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022***

---

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Long-Term Obligations**

Long-term liabilities are being repaid from the following fund:

<u>Obligation</u>	<u>Fund</u>
Compensated Absences	General Fund
Long-term Note	Ford Nature Center Project Fund
Leases	General Fund

**J. Compensated Absences**

In accordance with GASB Statement No. 16, “*Accounting for Compensated Absences*,” vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

For governmental funds, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. For governmental funds, that portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net position, “Compensated Absences Payable” is recorded within the “Due within one year” account and the long-term portion of the liability is recorded within the “Due in more than one year” account.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

---

***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**K. Pension/OPEB**

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

**L. Net Position**

Net position represents the difference between assets, liabilities, and deferred outflows/inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on use either through the enabling legislation adopted by the District or 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.

**M. Interfund Activity**

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.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

---

***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

---

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**N. Fund Balance**

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

*Nonspendable* – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

*Restricted* – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the District to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

*Committed* – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District’s highest level of decision making authority. For the District, these constraints consist of ordinances passed by the District Board of Commissioners. Committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

*Assigned* – Assigned fund balance consists of amounts that are constrained by the District’s intent to be used for specific purposes, but are neither restricted nor committed.

*Unassigned* – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed.

**O. 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.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**P. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. For the District, deferred outflows of resources are reported for pension/OPEB amounts on the government-wide statement of net position. See Notes 8 and 9.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension/OPEB are reported on the government-wide statement of net position. See Notes 8 and 9.

**Q. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2022, 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 services are consumed.

**R. Restricted Assets**

Rental of District facilities requires a security deposit, which is held by the District and classified as restricted assets in the financial statements.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022**

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**NOTE 2 – FUND BALANCE CLASSIFICATION**

Fund balance is classified as nonspendable, restricted, committed, assigned and 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	Other Governmental Funds	Total Governmental Funds
Nonspendable:			
Unclaimed Funds	\$3,508	\$0	\$3,508
Prepays	36,512	0	36,512
Total Nonspendable	<u>40,020</u>	<u>0</u>	<u>40,020</u>
Restricted:			
Capital Improvements	0	1,008,934	1,008,934
Law Enforcement	0	19,112	19,112
Total Restricted	<u>0</u>	<u>1,028,046</u>	<u>1,028,046</u>
Assigned:			
Budget Resource	3,021,528	0	3,021,528
Encumbrances	1,665,263	0	1,665,263
Total Assigned	<u>4,686,791</u>	<u>0</u>	<u>4,686,791</u>
Unassigned	<u>719,742</u>	<u>0</u>	<u>719,742</u>
Total Fund Balances	<u><u>\$5,446,553</u></u>	<u><u>\$1,028,046</u></u>	<u><u>\$6,474,599</u></u>

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**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments.

Statutes require the classification of funds held by the District into three categories.

Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the District. Such funds must be maintained either as cash in the District Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- 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, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that 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 that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**A. Deposits**

Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District has no deposit policy for custodial risk beyond the requirements of State statute.

Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

At year end the carrying amount of the District's deposits was \$6,838,810 and the bank balance was \$7,311,817. The Federal Deposit Insurance Corporation (FDIC) covered \$500,000 of the bank balance, and \$6,811,817 was uninsured and was collateralized with securities held in the Ohio Pooled Collateral System.

**B. Investments**

*Interest Rate Risk* – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date. The District has no policy that limits investment purchases beyond the requirements of the Ohio Revised Code.

*Investment Credit Risk* – The District has no investment policy that limits its investment choices other than the limitation of State statute for “interim” funds described previously.

*Concentration of Credit Risk* – The District places no limit on the amount the District may invest in one issuer.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.



**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022**

**NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**C. Component Unit**

The Mill Creek MetroParks Foundation reported a total cash balance of \$698,789 at year end. Investments at December 31, 2022 were as follows:

	Fair Value	Credit Rating	Fair Value Hierarchy	Investment Maturities (in Years)		
				Less than 1	1-3 years	3-5 years
Mutual Funds <sup>2</sup>	\$1,696,611	NA	NA	\$1,696,611	\$0	\$0
Exchange Traded Funds <sup>2</sup>	529,829	NA	NA	529,829	0	0
Treasury Bonds	324,649	AAA <sup>1</sup>	Level 2	324,649	0	0
Corporate Bonds	1,674,046	Baa2-AAA <sup>1</sup>	Level 2	333,080	1,340,966	0
Total Investments	<u>\$4,225,135</u>			<u>\$2,884,169</u>	<u>\$1,340,966</u>	<u>\$0</u>

<sup>1</sup> Moody's

<sup>2</sup> Reported at amortized cost

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**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022***

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**NOTE 4- PROPERTY TAXES**

Property taxes include amounts levied against all real estate and public utility property located in the District. Real property taxes (other than public utility) collected during 2022 were levied after October 1, 2021 on assessed values as of January 1, 2021, the lien date. Assessed values are established by the county auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments are made in the third year following reappraisal. The last reappraisal was completed in 2018. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the Mill Creek Metropolitan Park District. The County Auditor periodically remits to the District its portion of the taxes collected. The full tax rate for all District operations for the year ended December 31, 2022 was \$2.00 per \$1,000 of assessed value. The assessed value upon which the 2022 levy was based was \$4,805,971,880. This amount constitutes \$4,424,790,060 in real property assessed value and \$381,181,820 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of one percent of assessed value without a vote of the people. Under current procedures, the District's share is .20% (2.00 mills) of assessed value.

**NOTE 5 - TRANSFERS**

Following is a summary of transfers in and out for all funds for 2022:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Funds:		
General Fund	\$0	\$250,000
Other Governmental Funds	<u>250,000</u>	<u>0</u>
Total Governmental Funds	<u><u>\$250,000</u></u>	<u><u>\$250,000</u></u>

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022**

**NOTE 6 - RECEIVABLES**

Receivables at December 31, 2022 consisted of taxes, accounts, leases, and intergovernmental receivables.

**NOTE 7 - CAPITAL ASSETS**

Summary by category of changes in governmental activities capital assets at December 31, 2022:

<i>Historical Cost:</i>				
Class	2021	Additions	Deletions	2022
<i>Capital assets not being depreciated:</i>				
Land	\$4,370,716	\$741,533	\$0	\$5,112,249
Construction in Progress	741,533	1,147,274	(741,533)	1,147,274
Subtotal	5,112,249	1,888,807	(741,533)	6,259,523
<i>Capital assets being depreciated:</i>				
Land Improvements	4,519,354	620,390	0	5,139,744
Buildings and Improvements	21,657,442	1,503,128	(25,586)	23,134,984
Infrastructure	13,566,215	434,915	(4,925)	13,996,205
Machinery and Equipment	5,696,886	365,790	(5,799)	6,056,877
<i>Intangible Right-to-use Asset:</i>				
Equipment	0	458,546	0	458,546
Total Cost	<u>\$50,552,146</u>	<u>\$5,271,576</u>	<u>(\$777,843)</u>	<u>\$55,045,879</u>
 <i>Accumulated Depreciation:</i>				
Class	2021	Additions	Deletions	2022
Land Improvements	(\$2,116,672)	(\$165,618)	\$0	(\$2,282,290)
Buildings and Improvements	(10,899,126)	(614,142)	25,586	(11,487,682)
Infrastructure	(8,044,649)	(396,844)	1,601	(8,439,892)
Machinery and Equipment	(3,397,103)	(253,468)	5,509	(3,645,062)
<i>Intangible Right-to-use Asset:</i>				
Equipment**	0	0	0	0
Total Depreciation	<u>(\$24,457,550)</u>	<u>(\$1,430,072) *</u>	<u>\$32,696</u>	<u>(\$25,854,926)</u>
<i>Net Value:</i>	<u>\$26,094,596</u>			<u>\$29,190,953</u>

\* Depreciation was charged to governmental functions as follows:

Park Operations	\$1,217,510
Golf Course	155,326
Law Enforcement	57,236
Total Depreciation Expense	<u>\$1,430,072</u>

\*\* Amortization of leased equipment will begin in 2023.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 8 – 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 the 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.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022**

**NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)**

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):

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

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)**

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. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

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 3.00% 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 3.00%.

Benefits in the Combined Plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the plan for State and Local members in transition Groups A and B applies a factor of 1.00% to the member's FAS for the first 30 years of service.

A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1.0% to the member's FAS and the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on accumulated member contributions plus or minus any investment gains or losses on those contributions.

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS's Board of Trustees. Member-Directed Plan and Combined Plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the Member-Directed Plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit. For additional information, see the Plan Statement in the OPERS Annual Comprehensive Financial Report.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022**

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**NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)**

Beginning in 2022, the Combined Plan has been consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

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

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
<b>2022 Statutory Maximum Contribution Rates</b>			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	**	***
<b>2022 Actual Contribution Rates</b>			
Employer:			
Pension ****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits ****	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

- \* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
- \*\* 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.
- \*\*\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The District's contractually required contribution was \$541,114 for 2022. Of this amount, \$44,940 is reported as accrued wages and benefits.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022***

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**NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)**

***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, 2020, 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:

	<u>OPERS</u>
Proportionate Share of the Net Pension Liability	\$2,170,230
Proportion of the Net Pension Liability-2022	0.024944%
Proportion of the Net Pension Liability-2021	<u>0.025033%</u>
Percentage Change	<u>(0.000089%)</u>
Pension Expense	(\$669,187)

At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>
<b>Deferred Outflows of Resources</b>	
Differences between expected and actual experience	\$110,635
Changes of assumptions	271,385
District contributions subsequent to the measurement date	<u>541,114</u>
Total Deferred Outflows of Resources	<u>\$923,134</u>
<b>Deferred Inflows of Resources</b>	
Net difference between projected and actual earnings on pension plan investments	\$2,581,411
Differences between expected and actual experience	47,599
Change in proportionate share	<u>145,433</u>
Total Deferred Inflows of Resources	<u>\$2,774,443</u>



**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

---

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022**

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**NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)**

\$541,114 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, 2023. 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:	
2023	(\$486,854)
2024	(887,928)
2025	(606,995)
2026	(410,646)
Total	(\$2,392,423)

**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, 2021 and December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	December 31, 2021
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2022. 2.05 percent simple, thereafter
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age
	December 31, 2020
Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	0.5 percent simple through 2021. 2.15 percent simple, thereafter
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

---

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022***

---

**NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)**

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five year period ended December 31, 2020.

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.

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. Best estimates of arithmetic real rates of return were provided by the Board’s investment consultant. For each major asset class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	24.00 %	1.03 %
Domestic Equities	21.00	3.78
Real Estate	11.00	3.66
Private Equity	12.00	7.43
International Equities	23.00	4.88
Risk Parity	5.00	2.92
Other Investments	4.00	2.85
Total	<u>100.00 %</u>	4.21 %

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022**

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**NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)**

**Discount Rate** The discount rate used to measure the total pension liability was 6.9 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 6.9 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 (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability	\$5,721,904	\$2,170,230	(\$785,237)

**NOTE 9 - DEFINED BENEFIT OPEB PLAN**

**Net OPEB Liability (Asset)**

The net OPEB liability (asset) reported on the statement of net position represents a liability to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability (asset) represents the District’s proportionate share of the OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan’s fiduciary net position. The net OPEB liability (asset) 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 these estimates annually.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 9 - DEFINED BENEFIT OPEB PLAN (Continued)**

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 OPEB are financed; however, the District does receive the benefit of employees' services in exchange for compensation including OPEB.

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability (asset). Resulting adjustments to the net OPEB liability (asset) would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net OPEB liability (asset)* on the accrual basis of accounting. Any liability for the contractually-required OPEB 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 - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 9 - DEFINED BENEFIT OPEB PLAN (Continued)**

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have 20 or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. 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 75. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. See OPERS' Annual Comprehensive Financial Report 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. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care is not being funded.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022**

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**NOTE 9 - DEFINED BENEFIT OPEB PLAN (Continued)**

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board 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 0 percent during calendar year 2022. The OPERS 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 into the RMA for participants in the Member-Directed Plan for 2022 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The District's contractually required contribution was \$0 for 2022.

Following is information related to the proportionate share and OPEB expense:

	OPERS
Proportionate Share of the Net OPEB Liability (Asset)	(\$804,618)
Proportion of the Net OPEB Liability (Asset) -2022	0.025689%
Proportion of the Net OPEB Liability (Asset) -2021	0.025518%
Percentage Change	0.000171%
OPEB Expense	(\$849,581)

At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS
<b>Deferred Inflows of Resources</b>	
Net difference between projected and actual earnings on OPEB plan investments	\$383,585
Changes in assumptions	325,701
Differences between expected and actual experience	122,050
Change in proportionate share	104,920
Total Deferred Inflows of Resources	\$936,256

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 9 - DEFINED BENEFIT OPEB PLAN (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>
Year Ending December 31:	
2023	(\$619,055)
2024	(178,302)
2025	(83,810)
2026	<u>(55,089)</u>
Total	<u><u>(\$936,256)</u></u>

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**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022***

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**NOTE 9 - DEFINED BENEFIT OPEB PLAN (Continued)**

***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 and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	2.75 percent
Projected Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	6.00 percent
Prior measurement date	6.00 percent
Investment Rate of Return:	
Current measurement date	6.00 percent
Prior measurement date	6.00 percent
Municipal Bond Rate:	
Current measurement date	1.84 percent
Prior measurement date	2.00 percent
Health Care Cost Trend Rate:	
Current measurement date	5.5 percent initial, 3.5 percent ultimate in 2034
Prior measurement date	8.5 percent initial, 3.5 percent ultimate in 2035
Actuarial Cost Method	Individual Entry Age Normal

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five year period ended December 31, 2020.



**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022**

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**NOTE 9 - DEFINED BENEFIT OPEB PLAN (Continued)**

The long-term expected rate of return on health care 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.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. Best estimates of arithmetic rates of return were provided by OPERS investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	34.00 %	0.91 %
Domestic Equities	25.00	3.78
Real Estate Investment Trust	7.00	3.71
International Equities	25.00	4.88
Risk Parity	2.00	2.92
Other investments	7.00	1.93
Total	<u>100.00 %</u>	3.45 %

**Discount Rate** A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2021. A single discount rate of 6.00 percent was used to measure the OPEB liability on the measurement date of December 31, 2020. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 1.84 percent (Fidelity Index's "20-Year Municipal GO AA Index").

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022**

**NOTE 9 - DEFINED BENEFIT OPEB PLAN (Continued)**

The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2121. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

**Sensitivity of the District's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate** The following table presents the District's proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 6.00 percent, as well as what the District's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
District's proportionate share of the net OPEB liability (asset)	(\$473,191)	(\$804,618)	(\$1,079,709)

**Sensitivity of the District's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Health Care Cost Trend Rate** Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability (asset). The following table presents the net OPEB liability (asset) calculated using the assumed trend rates and the expected net OPEB liability (asset) if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2022 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
District's proportionate share of the net OPEB liability (asset)	(\$813,314)	(\$804,618)	(\$794,304)

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022**

**NOTE 10 - DEBT AND OTHER LONG-TERM OBLIGATIONS**

Detail of the changes in debt and other long-term obligations of the District for the year ended December 31, 2022 is as follows:

				Balance December 31, 2021	Additions	Deductions	Balance December 31, 2022	Amount Due Within One Year
<b>Governmental Activities:</b>								
<b>Debt:</b>								
Long Term Note:								
				\$3,318,090	\$0	(\$372,456)	\$2,945,634	\$383,833
	Ford Nature Center	2.99%	2029					
<b>Other Long-term Obligations:</b>								
				0	458,546	0	458,546	106,205
	Lease Payable							
				379,781	145,742	(120,742)	404,781	105,561
	Compensated Absences							
	<b>Total Debt and Other Long-Term Obligations</b>			<u>\$3,697,871</u>	<u>\$604,288</u>	<u>(\$493,198)</u>	<u>\$3,808,961</u>	<u>\$595,599</u>

**Long-Term Note** - In May 2020 the District issued a \$3,500,000 note. The note was issued for the purpose of completing certain renovations and improvements to the Ford Nature Center. The note carries an interest rate of 2.99% and matures in 2029.

Principal and interest requirements to retire long-term debt outstanding at December 31, 2022 are as follows:

Years	Long Term Note		
	Principal	Interest	Totals
2023	\$383,833	\$86,382	\$470,215
2024	395,341	74,873	470,214
2025	407,633	62,582	470,215
2026	420,084	50,131	470,215
2027	432,916	37,299	470,215
2028-2029	905,827	34,603	940,430
<b>Totals</b>	<u>\$2,945,634</u>	<u>\$345,870</u>	<u>\$3,291,504</u>

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**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022**

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**NOTE 11 – LEASES**

**A. Leases Receivable**

The District leases retail space as lessor. Payments from the lessee will begin in 2023.

Total lease receivable balances at December 31, 2022 are as follows:

Fund	Leases Receivable
Garden Cafe	\$60,058
Total Leases Receivable	\$60,058

**B. Leases Payable**

The District leases golf carts. The lease term is four years and matures in 2026.

The following is a schedule of future lease payments as of December 31, 2022:

Years	Leases Payable - Governmental Activities		
	Principal	Interest	Total
2023	\$106,205	\$20,515	\$126,720
2024	111,638	15,082	126,720
2025	117,350	9,370	126,720
2026	123,353	3,366	126,719
Totals	\$458,546	\$48,333	\$506,879

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 12 - RISK MANAGEMENT**

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

**Risk Pool Membership**

The District is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the District's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2022</u>
Cash and investments	\$42,310,794
Actuarial liabilities	\$15,274,479

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

Workers' Compensation claims are covered through the District's participation in the State of Ohio's program. The District pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2022***

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**NOTE 13 - SIGNIFICANT COMMITMENTS**

At December 31, 2022 the District had encumbrance commitments in the Governmental Funds as follows:

Fund	Encumbrances
General Fund	\$1,892,865
Other Governmental Funds	734,996
Total Governmental Funds	\$2,627,861

The District had the following contractual commitments at December 31, 2022:

Project	Remaining Contractual Commitment	Expected Date of Completion
Ford Nature Center Exhibit Construction	\$257,436	April 2023
Springfield Forest Improvements	197,609	April 2023
2022 Drive Improvements (East Newport Drive - North)	211,926	May 2023
West Park Drive Infrastructure	119,672	May 2023
West Park Drive Resurfacing	154,676	August 2023
Wick Warming House Redevelopment	449,141	June 2023
East Park Hike & Bike Trail Phase II	186,809	June 2023
	\$1,577,269	

**NOTE 14 - CONTINGENT LIABILITIES**

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at December 31, 2022.

**MILL CREEK METROPOLITAN PARK DISTRICT**  
**MAHONING COUNTY, OHIO**

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***Notes to the Basic Financial Statements***  
***For the Year Ended December 31, 2022***

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**NOTE 15 – CHANGE IN ACCOUNTING PRINCIPLE**

For 2022, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 87, “Leases,” Statement No. 91, “Conduit Debt Obligations,” Statement No. 92, “Omnibus 2020,” and Statement No. 93, “Replacement of Interbank Offered Rates.”

GASB Statement No. 87 establishes standards of accounting and financial reporting for leases.

GASB Statement No. 91 establishes a single method of reporting conduit debt obligations.

GASB Statement No. 92 establishes accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments.

GASB Statement No. 93 establishes accounting and financial reporting requirements related to the replacement of interbank offered rates in hedging derivative instruments and leases.

The implementation of these Statements had no effect on beginning net position/fund balance.

***MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO***

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*MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO*

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*REQUIRED SUPPLEMENTARY INFORMATION*

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**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Schedule of District's Proportionate Share of the Net Pension Liability  
Last Nine Years***

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**Ohio Public Employees Retirement System**

Fiscal Year	2014	2015	2016
District's proportion of the net pension liability (asset)	0.037853%	0.037853%	0.034535%
District's proportionate share of the net pension liability (asset)	\$4,462,376	\$4,565,496	\$5,981,919
District's covered payroll	\$4,622,537	\$4,509,778	\$4,133,194
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	96.54%	101.24%	144.73%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Notes: The District implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2014 is not available.

The schedule is reported as of the measurement date of the Net Pension Liability, which is the prior year end.

See notes to the required supplementary information

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
0.029901%	0.028331%	0.028230%	0.028170%	0.025033%	0.024944%
\$6,789,915	\$4,444,554	\$7,731,627	\$5,567,995	\$3,706,843	\$2,170,230
\$3,626,331	\$3,561,397	\$3,634,434	\$3,768,218	\$3,340,740	\$3,433,703
187.24%	124.80%	212.73%	147.76%	110.96%	63.20%
77.25%	84.66%	74.70%	82.17%	86.88%	92.62%

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Schedule of District Pension Contributions  
Last Ten Years***

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**Ohio Public Employees Retirement System**

Fiscal Year	2013	2014	2015	2016
Contractually required contribution	\$624,967	\$564,746	\$519,817	\$466,233
Contributions in relation to the contractually required contribution	<u>624,967</u>	<u>564,746</u>	<u>519,817</u>	<u>466,233</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District's covered payroll	\$4,622,537	\$4,509,778	\$4,133,194	\$3,626,331
Contributions as a percentage of covered payroll	13.52%	12.52%	12.58%	12.86%

Source: Treasurer and the Ohio Public Employees Retirement System

Notes: The District implemented GASB Statement 68 in 2015.

See notes to the required supplementary information

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$487,362	\$534,021	\$554,606	\$493,337	\$506,830	\$541,114
<u>487,362</u>	<u>534,021</u>	<u>554,606</u>	<u>493,337</u>	<u>506,830</u>	<u>541,114</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$3,561,397	\$3,634,434	\$3,768,218	\$3,340,740	\$3,433,703	\$3,659,564
13.68%	14.69%	14.72%	14.77%	14.76%	14.79%

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Schedule of District's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability (Asset)  
Last Six Years***

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**Ohio Public Employees Retirement System**

Year	2017	2018	2019
District's proportion of the net OPEB liability (asset)	0.029725%	0.028423%	0.028412%
District's proportionate share of the net OPEB liability (asset)	\$3,002,328	\$3,086,498	\$3,704,255
District's covered payroll	\$3,626,331	\$3,561,397	\$3,634,434
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	82.79%	86.67%	101.92%
Plan fiduciary net position as a percentage of the total OPEB liability	54.50%	54.14%	46.33%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Notes: The District implemented GASB Statement 75 in 2018.

Information prior to 2017 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability.

See notes to the required supplementary information

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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<u>2020</u>	<u>2021</u>	<u>2022</u>
0.028723%	0.025518%	0.025689%
\$3,967,393	(\$454,622)	(\$804,618)
\$3,768,218	\$3,340,740	\$3,433,703
105.29%	(13.61%)	(23.43%)
47.80%	115.57%	128.23%

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Schedule of District's Other Postemployment Benefit (OPEB) Contributions  
Last Ten Years***

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**Ohio Public Employees Retirement System**

Year	2013	2014	2015	2016
Contractually required contribution	\$46,225	\$90,196	\$82,664	\$72,527
Contributions in relation to the contractually required contribution	46,225	90,196	82,664	72,527
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
District's covered payroll	\$4,622,537	\$4,509,778	\$4,133,194	\$3,626,331
Contributions as a percentage of covered payroll	1.00%	2.00%	2.00%	2.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Notes: The District implemented GASB Statement 75 in 2018.

See notes to the required supplementary information



**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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2017	2018	2019	2020	2021	2022
\$35,614	\$0	\$0	\$0	\$0	\$0
35,614	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0
\$3,561,397	\$3,634,434	\$3,768,218	\$3,340,740	\$3,433,703	\$3,659,564
1.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Required Supplementary Information  
For the Year Ended December 31, 2022***

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**NET PENSION LIABILITY**

**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

*Changes in benefit terms:* There were no changes in benefit terms for the period 2014-2022.

*Changes in assumptions:*

2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%
- Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table.

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2019: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 7.50% to 7.20%

2020: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 3.00% to 1.4% for post 1/7/13 retirees.

2021: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 1.4% to 0.5% for post 1/7/13 retirees.

2022: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 0.5% to 3.00% for post 1/7/13 retirees.
- Reduction in actuarial assumed rate of return from 7.20% to 6.90%.
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

**MILL CREEK METROPOLITAN PARK DISTRICT  
MAHONING COUNTY, OHIO**

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***Notes to the Required Supplementary Information  
For the Year Ended December 31, 2022***

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**NET OPEB LIABILITY (ASSET)**

**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

*Changes in benefit terms:* There were no changes in benefit terms for the periods 2018-2021.

2022: Group plans for non-Medicare retirees and re-employed retirees replaced with individual medical plans. OPERS will provide a subsidy or allowance via an HRA.

*Changes in assumptions:*

For 2018, the single discount rate changed from 4.23% to 3.85%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.85% to 3.96%.
- Reduction in actuarial assumed rate of return from 6.50% to 6.00%
- Change in health care cost trend rate from 7.5% to 10%
- The Municipal Bond Rate changed from 3.31% to 3.71%

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.96% to 3.16%.
- Change in health care cost trend rate from 10.0% to 10.5%
- The Municipal Bond Rate changed from 3.71% to 2.75%

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.16% to 6.00%.
- Change in health care cost trend rate from 10.5% to 8.5%
- The Municipal Bond Rate changed from 2.75% to 2.00%

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- Change in health care cost trend rate from 8.5% to 5.5%
- The Municipal Bond Rate changed from 2.00% to 1.84%
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

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# OHIO AUDITOR OF STATE KEITH FABER



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

Mill Creek Metropolitan Park District  
Mahoning County  
7574 Columbiana-Canfield Road  
P.O. Box 596  
Canfield, Ohio 44406

To the Board of Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the discretely presented component unit, the major fund, and the aggregate remaining fund information of the Mill Creek Metropolitan Park District, Mahoning County, (the Park District) as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements and have issued our report thereon dated November 5, 2024. Our report includes a reference to other auditors who audited the financial statements of the Mill Creek Metro Parks Foundation, as described in our report on the Mill Creek Metropolitan Park District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### ***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Park District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Park District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Park District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Park District's financial statements will not be prevented, or detected and corrected, on a timely basis. *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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Park District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Park District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Park District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio

November 5, 2024

# OHIO AUDITOR OF STATE KEITH FABER



**MILL CREEK METROPOLITAN PARK DISTRICT**

**MAHONING COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 12/10/2024**

65 East State Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)