



**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 1999-1998**



**JIM PETRO  
AUDITOR OF STATE**

STATE OF OHIO



**METROPARKS OF BUTLER COUNTY  
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**REPORT OF INDEPENDENT ACCOUNTANTS**

Metroparks of Butler County  
Butler County  
2200 Hancock Avenue  
Hamilton, Ohio 45011

To the Board of Park Commissioners:

We have audited the accompanying financial statements of Metroparks of Butler County, Butler County, Ohio (the District), as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the District prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances and reserves for encumbrances of the District as of December 31, 1999 and 1998, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2000 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the information and use of the management, Board of Park Commissioners and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro".

**Jim Petro**  
Auditor of State

August 18, 2000

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**METROPARKS OF BUTLER COUNTY  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCE - GENERAL FUND -  
FOR THE YEAR ENDED DECEMBER 31, 1999**

<b>Cash Receipts:</b>	
Grants	\$782,956
Investment Income	9,203
Gifts and Donations	18,662
Fees	252,296
Sales	2,903
Reimbursements	2,987
Other Receipts	<u>3,868</u>
 Total Cash Receipts	 <u>1,072,875</u>
<b>Cash Disbursements:</b>	
Current:	
Salaries - Employees	241,795
Supplies	30,921
Materials	6,229
Equipment	19,533
Contracts - Repair	8,070
Contracts - Services	81,088
Rentals	4,675
Advertising and Printing	3,929
Travel	420
Public Employees Retirement	26,749
Workers' Compensation	4,179
Capital Outlay	100,389
Debt:	
Payment of Principal	17,480
Payment of Interest	4,781
Other	<u>5,259</u>
 Total Cash Disbursements	 <u>555,497</u>
 Total Receipts Over/(Under) Disbursements	 <u>517,378</u>
 Fund Cash Balance, January 1	 <u>125,357</u>
 <b>Fund Cash Balance, December 31</b>	 <b><u>642,735</u></b>
 Reserves for Encumbrances, December 31	 <u>87,511</u>

*The notes to the financial statements are an integral part of this statement.*

**METROPARKS OF BUTLER COUNTY  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCE - GENERAL FUND -  
FOR THE YEAR ENDED DECEMBER 31, 1998**

<b>Cash Receipts:</b>	
Grants	\$526,333
Investment Income	8,041
Gifts and Donations	66,609
Fees	69,702
Sales	3,180
Reimbursements	2,175
Other Receipts	<u>6,536</u>
 Total Cash Receipts	 <u>682,576</u>
<b>Cash Disbursements:</b>	
Current:	
Salaries - Employees	241,743
Supplies	23,651
Materials	6,945
Equipment	24,487
Contracts - Repair	13,687
Contracts - Services	83,799
Rentals	5,813
Advertising and Printing	10,064
Travel	1,946
Public Employees Retirement	26,876
Workers' Compensation	4,254
Capital Outlay	341,064
Debt:	
Payment of Principal	20,907
Payment of Interest	6,179
Other	<u>6,608</u>
 Total Cash Disbursements	 <u>818,023</u>
 Total Receipts Over/(Under) Disbursements	 <u>(135,447)</u>
 Fund Cash Balance, January 1	 <u>260,804</u>
 <b>Fund Cash Balance, December 31</b>	 <b><u>\$125,357</u></b>
 Reserves for Encumbrances, December 31	 <u>\$26,913</u>

*The notes to the financial statements are an integral part of this statement.*



**METROPARKS OF BUTLER COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

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

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and Deposits**

In accordance with Ohio Revised Code, the District's cash is held and invested by the Butler County Treasurer, who acts as custodian for District monies. The District's assets are held in the County's cash and investment pool and are valued at the Treasurer's reported carrying amount.

**D. Fund Accounting**

The District has no segregated cash and deposits that are restricted as to use. However, the District records all transactions in the General Fund.

**E. Budgetary Process**

The District did not prepare an official budget based on Ohio Attorney General Opinions issued in 1997 and 1977. However, the District will be required to prepare official budgets beginning in 2000, based on Ohio Attorney General Opinion 99-020.

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**G. Unpaid Vacation and Sick Leave**

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the District.

**METROPARKS OF BUTLER COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

**2. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board of Park Commissioners. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

**3. DEBT**

Debt outstanding at December 31, 1999:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Notes	<u>\$71,581</u>	Variable

The District issued General Obligation Park Improvement Notes on February 10, 1993, in the amount of \$262,202 at 70% of prime for a term of ten years to improve the parks and to acquire additional park land. Interest and principal payments are due semi-annually to Bank One. The Notes are collateralized by the taxing authority of the District.

Amortization of the above debt, including interest, is scheduled as follows:

<u>Year ending December 31:</u>	<u>General Obligation Notes</u>
2000	\$21,537
2001	20,482
2002	19,428
2003	18,373
2004	<u>1,711</u>
Total	<u>\$81,532</u>

**4. RETIREMENT SYSTEM**

The District's full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including post-retirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1998 and 1999, members of PERS contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries. The District has paid all contributions required through December 31, 1999.

**METROPARKS OF BUTLER COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

**5. RISK MANAGEMENT**

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles
- Errors and omissions

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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON  
INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Metroparks of Butler County  
Butler County  
2200 Hancock Avenue  
Hamilton, Ohio 45011

To the Board of Park Commissioners:

We have audited the accompanying financial statements of Metroparks of Butler County, Butler County, Ohio (the District), as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated August 18, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated August 18, 2000.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated August 18, 2000.

This report is intended for the information and use of the management and Board of Park Commissioners, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

**Jim Petro**  
Auditor of State

August 18, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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**METROPARKS OF BUTLER COUNTY**

**BUTLER COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 7, 2000**