

HAMILTON COUNTY PARK DISTRICT
CINCINNATI, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2005
Prepared by the Administration Division

JACK L. SUTTON
Director

NANCY S. MONTAGUE
Administration Director

DONALD A. RUDLER
Treasurer



**Auditor of State
Betty Montgomery**

Board of Park Commissioners
Hamilton County Park District
10245 Winton Road
Cincinnati, Ohio 45231

We have reviewed the *Independent Accountants' Report* of the Hamilton County Park District, Hamilton County, prepared by BKD, LLP for the audit period January 1, 2005 through December 31, 2005. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

September 11, 2006

This Page is Intentionally Left Blank.

**HAMILTON COUNTY PARK DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2005**

TABLE OF CONTENTS

INTRODUCTORY SECTION	<u>Page No.</u>
Letter of Transmittal	1
Certificate of Achievement	7
Organization Chart.....	8
List of Principal Officials.....	9
FINANCIAL SECTION	
Independent Accountants' Report.....	11
Management's Discussion and Analysis	13
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets	29
Statement of Activities.....	30
Fund Financial Statements:	
Balance Sheet – Governmental Funds	32
Reconciliation of Total Governmental Funds Balance to Net Assets of Governmental Activities	33
Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds.....	34
Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	35
Statement of Net Assets – Proprietary Fund.....	36
Statement of Revenues, Expenses and Changes in Net Assets Proprietary Fund	37
Statement of Cash Flows – Proprietary Fund	38
Notes to Basic Financial Statements	39

FINANCIAL SECTION (continued)

Required Supplementary Information Section

General Fund

Schedule of Revenues, Expenditures and Change in Fund Balances – Budget and Actual
(Non GAAP Budgetary Basis).....57

Mitchell Fund

Schedule of Revenues, Expenditures and Change in Fund Balances – Budget and Actual
(Non GAAP Budgetary Basis).....58

Notes to Required Supplementary Information.....59

Other Supplementary Information

Combining Balance Sheet – Non-Major Governmental Funds61

Combining Statement of Revenue, Expenditures and
Changes in Fund Balances – Non-Major Governmental Funds62

Other Budgetary Information

Detailed Individual Fund Schedules of Revenues, Expenditures and Change
In Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis):

General Fund by Department65

Non-Major Special Revenue Funds70

Capital Project Fund.....75

Enterprise Fund Schedule of Revenues and Expenses by Department.....78

STATISTICAL SECTION

Net Assets by Component – Last Three Years (Accrual Basis of Accounting)84

Changes in Net Assets – Last Three Years (Accrual Basis of Accounting).....85

Fund Balances Government Funds

Last Three Years (Modified Accrual Basis of Accounting)87

Change in Fund Balances Government Funds – Last Three Years

(Modified Accrual Basis of Accounting).....88

Hamilton County Park District, Computation of Legal

Debt Margin December 31, 200589

Hamilton County Park District, Ohio, Property Tax Levy and Collections

Real Utility and Tangible Property Taxes Last Eight Years.....90

STATISTICAL SECTION (continued)

County of Hamilton, Ohio, Assessed and Estimated Actual Value of Taxable Property, Last Ten Years.....	92
County of Hamilton, Ohio, Property tax rates, all Direct and Overlapping Governments, Last Ten Years	94
County of Hamilton, Ohio, Demographic and Economic Statistics, Last Ten Years.....	96
County of Hamilton, Ohio, Principal Taxpayers	97
Operating Indicators by Department Administration, For Years Indicated	98
Operating Indicators by Department Safety, Naturalists, and Communication, For Years Indicated	99
Operating Indicators by Department, In Reach, Golf Management, Fishing and Boating, Riding Center, Land Acquisition, Other, For years Indicated	100
Schedule of Insurance Coverage.....	102
Park Facilities and Recreation Activities	104

(This page intentionally left blank)

INTRODUCTORY SECTION

(This page intentionally left blank)



10245 Winton Road • Cincinnati, Ohio 45231
(513) 521-PARK (7275) • www.greatparks.org
Board of Park Commissioners:
NANCY R. HAMANT • ROBERT A. GOERING • JAMES E. BUSHMAN
Director JACK SUTTON

May 25, 2006

TO: THE CITIZENS OF HAMILTON COUNTY AND
THE BOARD OF PARK COMMISSIONERS, OF THE
HAMILTON COUNTY PARK DISTRICT

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the Hamilton County Park District (hereafter, also referred to as the “Park District”). This report conforms to Accounting Principles Generally Accepted in the United States of America (GAAP) in accordance with implementation of Government Accounting Standards Board (GASB) Statement No. 34 and provides full and complete disclosure of the financial position and operations of the Park District for the year ended December 31, 2005. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Park District management. To the best of our knowledge, the following data is accurate in all material respects and is reported in a manner designed to fairly present the financial position of the entity as a whole and results of operations of the various funds of the Park District. All necessary financial disclosures have been included to enable the reader to gain an understanding of the Park District’s financial activities.

Report Presentation

Financial statements of governmental organizations differ somewhat from the statements prepared for profit-oriented organizations in that governmental organizations prepare statements on a fund basis. In governmental accounting, the term “fund” is used to identify a separate accounting entity with its own assets, liabilities, revenues and expenditures or expenses, as appropriate.

The Park District has established various funds to segregate activities in order to comply with legal requirements, to better facilitate management control, and to satisfy the requirements of GAAP. The presentation of this report and the financial statements contained herein are in conformance with principles established by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA) through its various pronouncements.

The CAFR is presented in three sections: Introductory, Financial and Statistical. The introductory section includes this transmittal letter, the Government Finance Officers Association (GFOA) Certificate of Achievement, our organizational chart, and a list of principal officials. The financial section includes the Report of Independent Accountants, Management’s Discussion and Analysis, the basic financial statements, notes, the required supplementary information, combining statements and the individual fund budget-to-actual schedules. GAAP requires that management provide a narrative introduction, overview, and analysis of the basic financial statements, the Management’s Discussion and Analysis. This letter of transmittal is designed to complement the Management’s Discussion and Analysis letter and should be read in conjunction with it. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

Reporting Entity

The Hamilton County Park District (Park District) was created in 1930 under authority of Chapter 1545 of the Ohio Revised Code for the purpose of protecting local natural resources and providing outdoor recreation. The Park District is governed by a three member Board of Park Commissioners, each of whom is appointed to three-year terms by the Probate Court Judge of Hamilton County and who serve without pay. The first Park Board took office on July 17, 1930.

The Board of Park Commissioners appoints a Director who is also the Chief Executive Officer. The Director is responsible for executing policy of the Park Board. Since 1930, the Park District has acquired and conserved over 15,600 acres of parkland and open space, including nineteen parks and nature preserves protected and 995 acres of conservative easements.

The Mission of the Hamilton County Park District is: *“To preserve and protect natural resources and to provide outdoor recreation and education in order to enhance the quality of life for present and future generations.”*

Since its creation in the early 1930’s, the Park District has relied on a combination of funding derived from self-generated earned income sources and voter approved tax levies to fulfill its Mission.

County Structure

The Park District’s base for its real estate tax levy revenue (approximately \$18 million) is Hamilton County. The County of Hamilton was named for the former Secretary of Treasury, Alexander Hamilton, and was created by proclamation of Arthur St. Clair, Governor of Northwest Territory, on January 2, 1790. The County was the second county-formed in the State of Ohio, with Cincinnati as the County seat. The County is situated in the extreme southwestern corner of the State and covers an area of 413 square miles. The County encompasses 49 municipalities, villages and townships, of which Cincinnati is the largest. The County is the third largest in the State of Ohio in terms of population (845,303). Located on the Ohio River, the County forms the core of the “Cincinnati Metropolitan Area,” which includes the counties of Hamilton, Warren, Clermont and Butler in Ohio, Dearborn and Ohio counties in Indiana and Kenton, Campbell, Gallatin, Grant, Pendleton and Boone across the river in Kentucky.

The County Auditor serves as both the chief financial officer for the County and the real property assessor for all political subdivisions within the County. The Auditor prepares the general tax list of the County, calculates the voted and unvoted tax rates for real estate and personal property and, once collected, distributes the tax receipts to the appropriate political subdivisions and agencies within the County. The collection and distribution of tax levy proceeds is the only service provided to the Park District.

Major Initiatives 2005

2005 marked the Hamilton County Park District's 75th Anniversary. Park visitors enjoyed a variety of special events and activities throughout the year including four major events in Winton Woods, Sharon Woods, Miami Whitewater Forest and Woodland Mound during the month of July.

The Park District acquired 271 acres of new parkland in 2005 including a bequest of 119 acres in Sharonville from the estate of Richard E. Francis. Additionally, the Park District entered into a lease with the City of Cincinnati to develop and manage 239 acres of greenspace along the Little Miami River as part of the new Otto Armleder Memorial Park and Recreation Complex. These acquisitions and lease bring the total amount of greenspace preserved and protected by the Park District to 15,621 acres.

Phase Two improvements to Fernbank Park were completed and include additional trail, roadway and parking lot construction. New picnic shelters were installed as well. Fernbank Park is a partnership between the Hamilton County Park District and the Cincinnati Park Board.

Phase One improvements to Armleder Park were initiated in 2005 including the development of a 1.9 mile paved multi-purpose trail and a dog park. The dog park has sections designated for both small and large dogs. These facilities are scheduled to, open in the summer of 2006. Armleder Park is a partnership among the Hamilton County Park District, Cincinnati Park Board and the Cincinnati Recreation Commission.

The Park District constructed bridges across the Little Miami River and Dry Run Creek at Newtown Road in an effort to extend the Little Miami Scenic Bike Trail further into Hamilton County. These bridges can be used by non-motorized traffic but can also accommodate emergency vehicles whenever necessary. A trailhead at Avoca Park along Wooster Pike, west of Terrace Park, was completed and is operational. The trailhead includes paved parking for 50 vehicles, a restroom, picnic shelter, playfield and landscaping. A final 0.5 mile section of trail is scheduled to be completed in early 2006 bringing the southern terminus of the Little Miami Trail to the Little Miami Golf Center in Newtown.

The Volunteers In Parks (VIP) program provided 629 individual volunteers who donated 75,851 hours of service time to the Park District.

Financial Information

The Park District's day-to-day accounting and budgetary records are maintained on a basis other than GAAP. For financial reporting purposes, the accounting records are converted to a modified accrual basis for all governmental funds and the accrual basis for proprietary and entity wide reporting. A further discussion of the two bases of accounting can be found in Note 1-E to the financial statements.

Budgetary appropriations for the operation of the Park District's divisions are established through the adoption of the annual Appropriation Resolution by the Board of Park Commissioners. Budgetary control is facilitated through the maintenance of an encumbrance system for purchase orders and through the use of the Park District's financial accounting system.

The Park District maintains budgetary control within the organizational unit and fund by not permitting expenditures and encumbrances to exceed appropriations. Various departments are subject to performance budget reviews. Funds appropriated may not be expended for purposes other than those designated in the Appropriation Resolution.

Items to be purchased costing under \$1,000 do not require a formal bid. Purchases over \$1,000 but under \$24,999.99 must have specifications prepared and be bid out. Purchases exceeding \$24,999.99 must be legally bid out under Ohio Revised Code Sections 307.86 through 307.92 or acquired through the State of Ohio purchasing program.

Services of an accountant, architect, attorney, physician, professional engineer, construction project manager, consultant, surveyor or appraiser do not have to be bid out.

Internal Controls

In developing and revising the Park District's accounting and reporting control system, management's consideration is given to the adequacy of internal controls to provide reasonable, but not absolute, assurance regarding:

- safeguarding assets against loss from unauthorized use or disposition.
- reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of a reasonable assurance recognizes that:

- the cost of a control should not exceed the benefits likely to be derived
- the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. The Park District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. Initial responsibility for budgetary control rests with individual departments.

The Board of Park Commissioners and department heads receive a monthly report comparing budget and cash receipts and expenditures.

The Accounting Department conducts internal cash audits at park locations. During 2005, 131 such audits were performed. Bank reconciliations are completed by accounting personnel not authorized to sign checks.

Cash Management

The Park District's investment policy is based on Ohio Revised Code, Chapter 135. Policies are reviewed annually by independent auditors. The policy provided the foremost objective of safety of capital, followed by objectives of liquidity and return on investment.

The Chief Financial Officer utilizes cash management and forecasting techniques and procedures to provide for efficient and optimal use of the Park District's cash resources, as permitted by applicable State of Ohio law. Among the Park District's investments, the Park District participates in the State Treasurer's Investment Pool of Ohio (STAROHIO). The state-wide investment pool was established in January 1986 for governmental entities in Ohio and is administered by the Treasurer of the State of Ohio. In addition to STAROHIO, the Park District's CFO invests in short-term certificates of deposit.

All the Park District's investments are in compliance with the Park District's investment policy as passed by the Board of Park Commissioners.

Cash resources of a majority of individual funds are combined to form a pool of cash and investments to maximize possible returns. Investment income is allocated to the General Fund, Mitchell Fund and other Funds as prescribed by Ohio law and Board policy.

Risk Management

The Park District provides training and safety equipment to its employees in order to control risks of injury. The Park District also maintains comprehensive coverage from private insurance carriers for property, appointed officials, ranger liability, boilers, crime and general liability. The annual premium approximates \$268,000. Further information relating to insurance is presented in the Statistical Section.

Independent Audit

The Ohio Revised Code requires an annual audit be performed by the Auditor of State or by an independent certified public accountant approved by the Auditor of State. For years 1996 through 2001 our audit was performed by Berge & Company LTD. In 2002 Berge & Company merged into the firm **BKD, LLP**. The auditors' report is an integral part of this CAFR. This firm has been selected to audit years 2001-2005.

Awards

For the tenth year in a row, Meadow Links and Golf Academy was recognized as one of the "Top 100 Ranges in America" for 2005 by Golf Range Magazine. This National Award is based on the facilities continued effort to be a vital part of the community. In addition Meadow Links was recognized as one of the "Top 10 Short Courses in America."

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Park District for its comprehensive annual financial report for the fiscal year ended December 31, 2004. This was the seventh year the Park District received this prestigious award. In order to be awarded a Certificate of Achievement, the Park District published an easy-to-read, efficiently-organized comprehensive annual financial report. This report satisfies both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. It is believed the current comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements. It is being submitted to the GFOA to determine eligibility for another certificate.

The HCPD received the following other awards in 2005:

- Ohio Parks & Recreation Association: Website award superior rating and special riders program outstanding rating
- GreatParks.org - Marketing Award for Electronic Media
- Special Riders Program - Program Award for Special Populations
- The Buffalo Club of Printing House Craftsmen awarded its "Silver Award" to the Park District's Park Passport. The Buffalo Club of Printing House Craftsmen, Inc. is the local chapter of the International Association of Printing House Craftsmen, an international organization dedicated to the printing and graphic arts industry.

Acknowledgements

This CAFR represents a continuing commitment by the Accounting Department and the Management of the Park District to provide prudent financial information of Park District activities and to demonstrate stewardship of the funds granted to the Park District by the voters of Hamilton County.

We thank and acknowledge support of the entire staff of the Park District for their effort in developing this report. We thank Dusty Rhodes, Hamilton County Auditor, and his office for assistance in developing the Statistical Section and staff of **BKD, LLP**, our auditors, for their assistance and review during this project.



Jack Sutton, Director



Donald Rudler, CPA, Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Hamilton County
Park District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



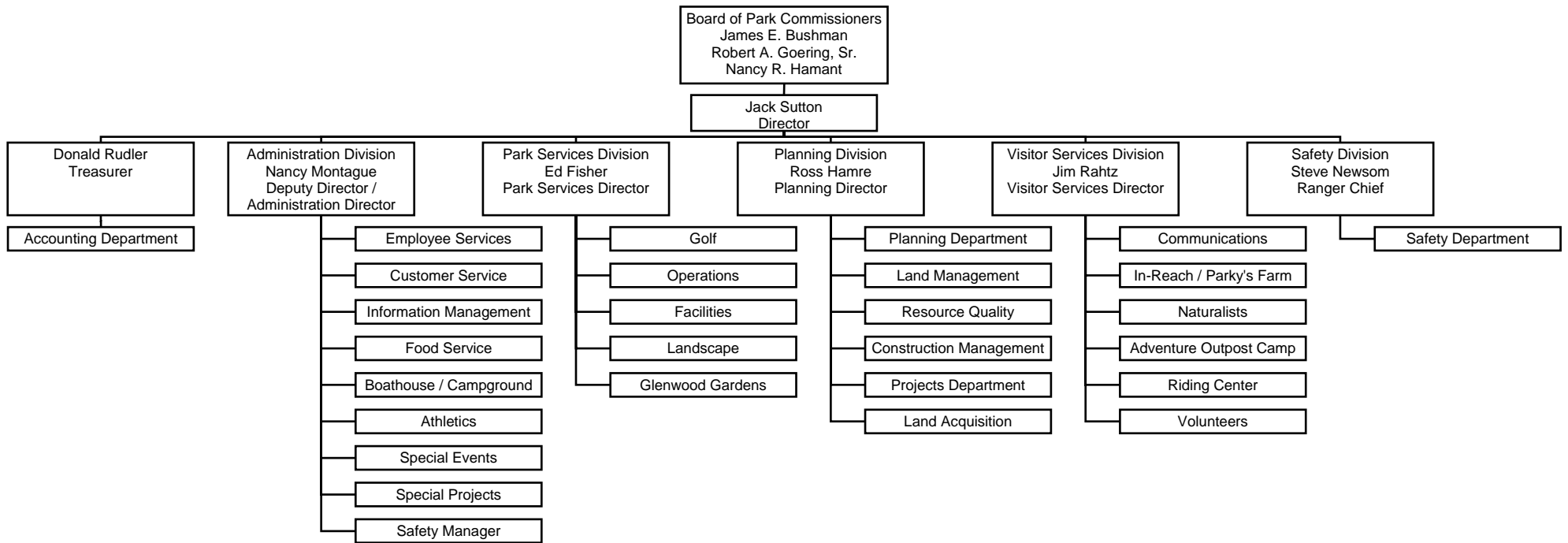
Carla E. Perry

President

Jeffrey R. Enos

Executive Director

Hamilton County Park District 2005 Organization Chart



**HAMILTON COUNTY PARK DISTRICT
LIST OF PRINCIPAL OFFICIALS**

DECEMBER 31, 2005

ELECTED OFFICIAL

HAMILTON COUNTY PROBATE JUDGE

HONORABLE JUDGE JAMES C. CISELL
TERM EXPIRES FEBRUARY 2009

APPOINTED BY PROBATE JUDGE

BOARD OF PARK COMMISSIONERS

TERM EXPIRES

JAMES E. BUSHMAN	PRESIDENT	DECEMBER 31, 2006
NANCY R. HAMANT	VICE-PRESIDENT	DECEMBER 31, 2007
ROBERT A. GOERING, SR.	VICE-PRESIDENT	DECEMBER 31, 2008

APPOINTED BY THE BOARD OF PARK COMMISSIONERS

DIRECTOR

JACK L. SUTTON

DIVISION DIRECTORS

VISITOR SERVICES – JAMES RAHTZ
PARK SERVICES - EDWARD A. FISHER
ADMINISTRATION - NANCY S. MONTAGUE
PLANNING - ROSS HAMRE
SAFETY – STEVEN R. NEWSOM

(This page intentionally left blank)

**FINANCIAL
SECTION**

(This page intentionally left blank)



Independent Accountants' Report on Financial Statements and Supplementary Information

Board of Park Commissioners
Hamilton County Park District
Cincinnati, Ohio

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hamilton County Park District as of and for the year ended December 31, 2005, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Park District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards for 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hamilton County Park District as of December 31, 2005, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 18, 2006, 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The accompanying management's discussion and analysis and budgetary information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Hamilton County Park District's basic financial statements. The introductory sections, combining and individual fund statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules have been subjected to the auditing to the auditing procedure applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

BKD, LLP

Cincinnati, Ohio
July 18, 2006

MANAGEMENT'S DISCUSSION AND ANALYSIS

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

As management of the Hamilton County Park District (Park District) we offer readers of the Park Districts' financial statements this narrative overview and analysis of the financial activities of the Park District for the fiscal year ended December 31, 2005. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 to 6 of this report. The government wide financial statements are presented on the accrual basis of accounting. The fund financial statements are presented on the modified accrual basis of accounting which differ from those presented on a budgetary basis.

Financial Highlights

Key financial highlights for 2005 are as follows:

- The Park District's total net assets increased \$7,590,405 for the year ended December 31, 2005.
- The assets of the Park District exceeded its liabilities at the close of fiscal year ending December 31, 2005 by \$99,921,494 (net assets). Of this amount \$95,079,242 has been invested in capital assets.
- Net assets of governmental activities increased by \$7,895,559, which represents a 9% increase over 2004 balance. Net assets of business-type activities decreased \$(305,154) or a 3% decrease from 2004.
- Governmental activities net investment in capital assets increased by \$22,440,202. Net Business type activities investment in capital assets increased by \$828,617. Capital assets of the Park District are owned with no related debt (except note due of \$438,146 on golf cart purchase).

Revenues of the governmental activities increased by \$4,428,034 over amounts reported in prior years. Increase in charges for services of \$519,843, increase in capital gifts and grants of \$4,439,358 including land donation of \$4,400,000 and decrease in operating grants account for this increase. During the same period expenditures increased by \$760,719, due primarily to increase in operation and maintenance expense of \$406,433, public safety \$577,380, reduction of visitors service expense \$403,281, and other minor changes.

The revenue of the business type activities increased \$54,902 in 2005. Expense increased \$240,497, due to increase in expenses for golf management \$412,444, decrease in expenses for fishing and boating \$141,373 and other minor changes. Business activities reported net loss in 2005 of \$(305,154) and 2004 \$(119,559).

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

- At December 31, 2005 Park District government funds reported combined ending fund balance of \$9,658,537, an increase of \$1,718,707 in comparison with the prior year. The increase resulted from increase in charges to users of \$888,000, additional donations and grants of \$859,000, increases in fees for motor vehicle permits of \$432,000. Expenses decreased \$1,497,404 due to a decrease in capital outlay of \$5,145,000 and increases in Public Safety of \$684,000, Operation and Maintenance of \$1,402,000, Facilities of \$242,000, and Visitors Service of \$796,500. On a combined basis, \$8,536,055 is considered unreserved at December 31, 2005. Unreserved fund balance includes \$3,742,179 restricted for capital projects and \$5,438,475 restricted for special revenue purposes.
- Among the major funds, the General Fund, for year ended December 31, 2005, had \$26,627,025 in total revenue and \$21,358,053 in total expenditures. \$4,100,000 was transferred out to Capital Project Fund to finance capital additions.

Using this Comprehensive Annual Financial Report (CAFR)

Overview of the Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Hamilton County Park District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The discussion and analysis are intended to serve as an introduction the Park District's basic financial statements. The Park District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Report Hamilton County Park District As A Whole

The review of the Park District as a financial whole assesses all financial transactions and measures the Park District's financial position and liquidity. The government-wide financial statements-the Statement of Net Assets and the Statement of Activities-are designed to provide readers with a broad overview of the Park District's finances.

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

Statements of Net Assets and Statements of Activities

The Statement of Net Assets and the Statement of Activities report both long-term and short-term information about the Hamilton County Park District's overall financial status using the accrual basis of accounting, similar to the method of accounting used by private-sector companies.

- **Statement of Net Assets.** The Statement of Net Assets presents information on all of the Park Districts assets and liabilities, with the difference between the two reported as net assets. This statement provides information about the nature and amounts of investments in resources (assets) and the obligations to Park District creditors (liabilities), and supplies the basis for evaluating the Park District's capital structure.
- **Statement of Activities.** The Statement of Activities provides information about all of the Park District's current-year revenues and expenses, and measures the success of the Park District's operations over the past year. Use of the accrual basis of accounting for financial reporting means all current year revenues and expenses are reported regardless of when cash is received or paid.

These two government-wide statements report the Park District's net assets and changes in those assets. The change in net asset is important because it tells the reader whether, for the Park District as a whole, the financial position has improved or diminished. In evaluating the overall position of the Park District, nonfinancial information-such as changes in the Park District's tax or employment base, the condition of Park District's capital assets and other factors, such as changing economic conditions, population and customer growth, and new or changed rules and regulations-also need to be considered.

All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the Statement of Activities for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

In the Statement of Net Assets and the Statement of Activities, Park District functions are divided into the following two distinct kinds of activities:

- **Governmental Activities-**Most of the Park Districts programs and services are reported here, including general government, public safety, operation and maintenance, naturalists, visitors services, and facilities expenditures. These services are funded primarily by taxes and intergovernmental revenues, including federal and state grants.
- **Business-Type Activities-** Most of the Park District's programs or services intended to recover all or a significant portion of their costs through user fees and charges are reported here. The Park District charges fees to recoup the cost of operations and capital expenses associated with these activities.

The Government wide financial statements can be found on pages 29-31 of this report.

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

Government-Wide Financial Analysis

Net Assets

Net assets-the difference between assets and liabilities-may serve over time as a useful indicator of the Park Districts financial position. The Park District total assets exceeded Total liabilities in 2005 by \$116 million compared with \$92 million in 2004. This represents an increase of \$24,500,559 in governmental activities and decrease of \$(305,154) in business activities in 2005 compared to an increase in governmental activities of \$4,228,244 and business activities of loss of \$(119,559) in 2004.

Table 1
Summary of Net Assets
at December 31, 2005 and 2004

	Governmental Activities		Business-Type Activities		Total Government	
	2005	2004	2005	2004	2005	2004
Current Assets	\$26,027,191	\$24,941,015	\$ 737,574	\$ 896,787	\$ 26,764,765	\$ 25,837,802
Capital Assets	80,595,427	74,435,225	14,483,815	13,655,198	95,079,242	88,090,423
Total Assets	106,622,618	99,376,240	15,221,389	14,551,985	121,844,007	113,928,225
Current liabilities	19,589,322	19,745,391	255,827	137,594	19,845,149	19,882,985
Long-term liabilities	1,623,195	1,639,845	454,169	74,306	2,077,364	1,714,151
Internal balance	(3,220,668)	(2,744,206)	3,220,668	2,744,206		
Total liabilities	17,991,849	18,641,030	3,930,664	2,956,106	21,922,513	21,597,136
Net Assets						
Invested in capital assets Net of related debt	80,595,427	74,435,225	14,483,815	13,655,198	95,079,242	88,090,423
Restricted	9,790,549	8,937,022			9,790,549	8,937,022
Unrestricted (deficit)	(1,755,207)	(2,637,037)	(3,193,090)	(2,059,319)	(4,948,297)	(4,696,356)
Total Net Assets	\$ 88,630,769	\$ 80,735,210	\$ 11,290,725	\$ 11,595,879	\$ 99,921,494	\$ 92,331,089

By far the largest portion of the Park Districts net assets, \$95,079,242 (95%) in 2005 and \$88,090,423 (97%) in 2004 reflect investment in capital assets, which includes property, equipment and infrastructure assets, net of accumulated depreciation with no related debt except the note payable for golf carts \$438,146. The Park District uses these assets to provide services to citizens, consequently these assets are not available for future spending. An additional portion of the Park Districts net assets \$9,790,549 (8%) in 2005 and \$8,937,020 (10%) in 2004 represent resources that are subject to internal and external restrictions on how they may be used. The remaining balance (deficit) represents unrestricted assets (deficit). This total deficit (\$4,948,297) is made up of unrestricted net assets (deficit) of government activities (\$1,755,207) in 2005 and \$(2,637,037) in 2004, as well as \$(3,193,090) in business activities in 2005 and \$(2,059,319) in 2004. This deficit results from restrictions and inter fund activities and does not necessarily represent amounts due outside the Park District.

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

Changes in Net Assets

The Park District's total revenue increased 13% to \$37,713,888 in 2005. In 2005, nearly one half (49%) of the Park Districts revenue comes from taxes on real estate. Additionally 35% of revenue comes from charges to users of Park District facilities or programs. In 2005 major gifts and capital grants \$5,471,198 provided 15% of gross revenue. The most significant transaction for the Park District in 2005 was the donation of 119 acres of land in Sharonville at a fair market value of \$4,400,000. Table 2 following, provides a comparative summary of the Park Districts revenue and expenses, the changes in Net Assets for the years 2005 and 2004.

Table 2
Hamilton County Park District
Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total Government	
	2005	2004	2005	2004	2005	2004
Expenses						
Governmental Activities						
Parks and recreation						
General Government	\$ 949,501	\$ 910,825	\$	\$	\$ 949,501	910,825
Public Safety	4,110,864	3,533,484			4,110,864	3,533,484
Operational Maintenance	7,425,555	7,019,122			7,425,555	7,019,122
Land Management	355,455	407,632			355,455	407,632
Resource Quality	188,851	192,895			188,851	192,895
Naturalist	1,469,209	1,452,213			1,469,209	1,452,213
Communication	849,696	887,596			849,696	887,596
Visitor Service	2,231,767	2,635,048			2,231,767	2,635,048
Facilities	1,348,793	1,130,157			1,348,793	1,130,157
Business-type activities						
Operating			11,193,792	10,953,295	11,193,792	10,953,295
Total Expenses	18,929,691	18,168,972	11,193,792	10,953,295	30,123,483	29,122,267
Revenues						
Program Revenues						
Charges for service	\$ 2,385,721	\$ 1,865,878	\$10,888,638	\$ 10,833,736	\$ 13,274,359	\$ 12,699,614
Operating grants	53,764	349,920			53,764	349,920
Capital grants	5,471,198	1,031,840			5,471,198	1,031,840
General Revenue						
Taxes	18,347,337	18,322,723			18,347,337	18,322,723
Investment earnings	363,117	529,830			363,117	529,830
Other revenue	204,113	297,025			204,113	297,025
Total Revenues	26,825,250	22,397,216	10,888,638	10,833,736	37,713,888	33,230,952
Change in Net Assets	7,895,559	4,228,244	(305,154)	(119,559)	7,590,405	4,108,685
Net Assets January 1	80,735,210	76,506,966	11,595,879	11,715,438	92,331,089	88,222,404
Net Assets December 31	\$ 88,630,769	\$80,735,210	\$ 11,290,725	\$11,595,879	\$ 99,921,494	\$92,331,089

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

Governmental Activities and Total Government

Total government revenue increased approximately \$4,428,034 from increased charges for park service of \$574,000, a land donation of 119 acres in Sharonville at fair market value of \$4,400,000, and reduction of investment income \$167,000 and other grants \$296,000.

Total governmental expenses increased net \$430,614 primarily to:

- Public safety which increased \$577,380 due to additional rangers, retirement payout and depreciation
- Operation and maintenance which increased \$406,433 due to higher energy and fuel costs, and increased costs operating and maintaining Armleder and Fernbank.
- Visitors Service decreased \$403,281 due to special projects undertaken in 2004 not repeated in 2005

With total governmental revenue increasing \$4,428,034 and total expenses increasing \$760,719, change in net assets increased to \$3,667,315. This amount when added to beginning net assets of \$80,700,000 produced governmental net assets at December 31, 2005 on accrual basis of \$88,630,000. See Table 2.

Business Type Activities

Table 3 provides revenue and expenses by six business type departments for 2005 and 2004.

Total revenue increased \$54,902. However total costs increased \$240,497. These changes produced net loss in 2005 (\$305,154) and net loss (\$119,559) in 2004. Total cash provided was \$1,433,918 in 2005 and \$648,533 in 2004.

Cash was transferred to General Fund in 2005 \$4,065,000 and \$5,000,000 in 2004.

Golf Management

As shown in Table 3, golf revenue changed little from 2004 (\$5,977,809 in 2005 verses \$5,893,434 in 2004.) Rounds of golf decreased from 293,000 in 2004 to 278,000 in 2005. However, expenses increased so net income decreased from \$750,678 (2004) to \$422,609 (2005).

Other Business-type activities

In 2005 food service reported net loss of (\$627,631) and compared to 2004 (\$520,665) net loss.

The other four departments (Fishing and boating, riding center, golf merchandise, athletics) collectively reported Net losses of (\$100,132) in 2005 and (\$349,572) net loss in 2004, as a reduction of net loss of \$249,620

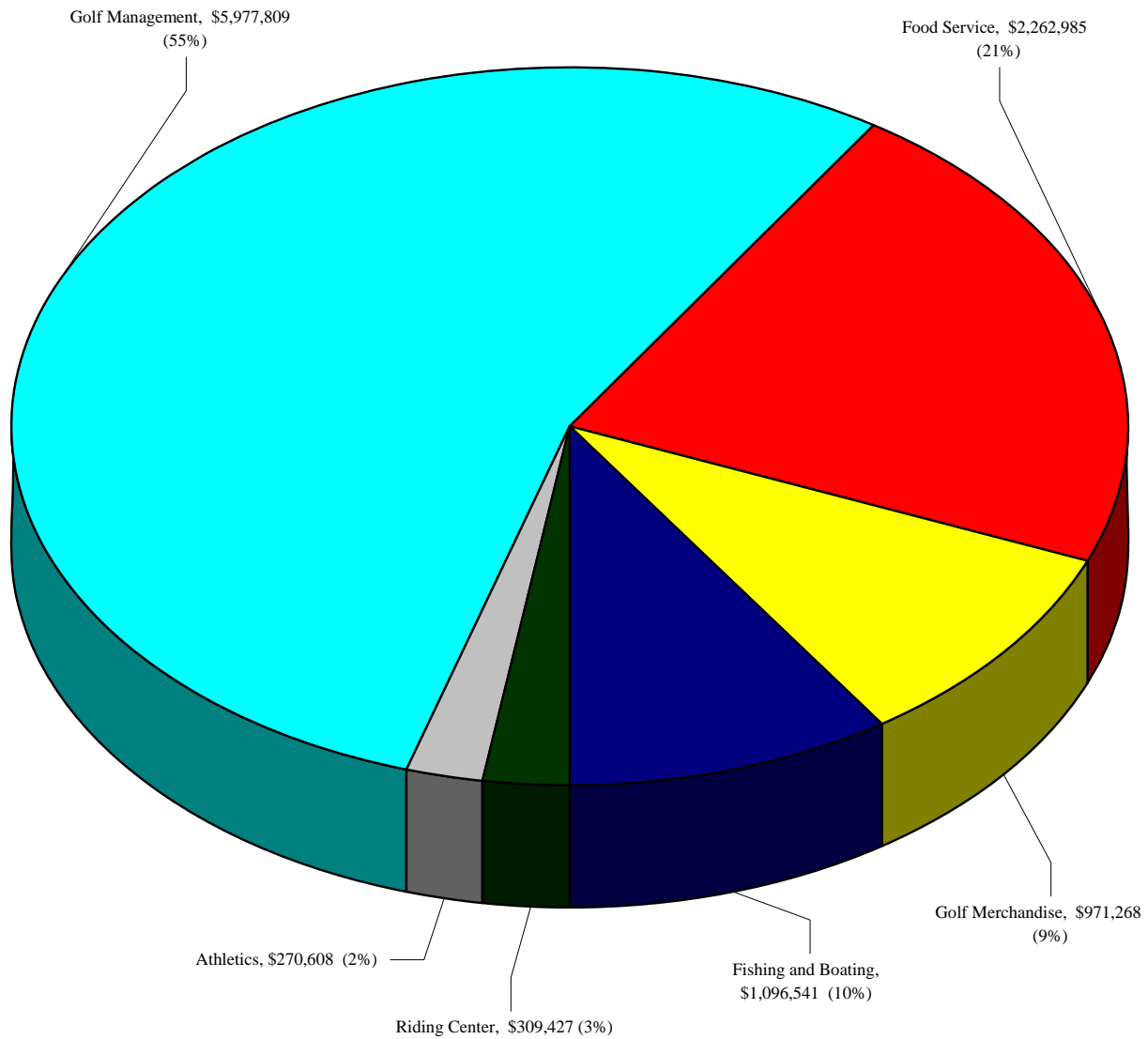
Table 3 provides details by department.

Table 3
Business Activities
Net Income (loss) by Department
(Unaudited)

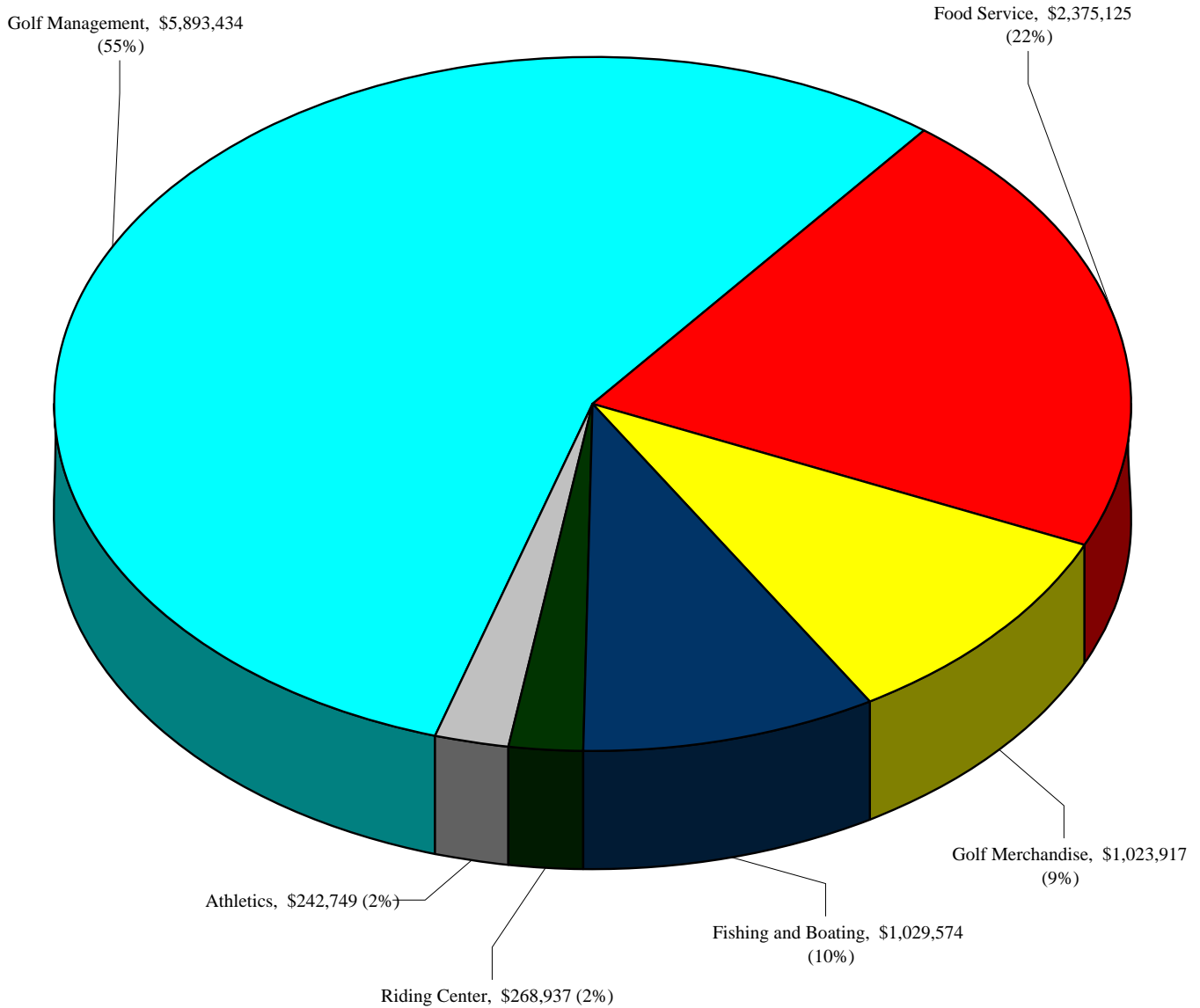
	Golf Management		Fishing and Boating		Riding Center	
	2005	2004	2005	2004	2005	2004
Operating Revenue						
Charges for sales and services	\$ 5,977,809	\$ 5,893,434	\$ 1,096,541	\$ 1,029,574	\$ 309,427	\$ 268,937
Operating Expenses						
Cost of sales and services	4,218,181	3,829,723	860,027	1,009,066	239,022	241,797
Administration expenses	594,933	610,500	146,524	150,100	29,479	19,448
Depreciation expense	742,086	702,533	142,254	131,012	21,345	17,302
Total operating expense	5,555,200	5,142,756	1,148,805	1,290,178	289,846	278,547
Net income (loss)	\$ 422,609	\$ 750,678	\$ (52,264)	\$ (260,604)	\$ 19,581	\$ (9,610)

Food Service		Golf Merchandise		Athletics		Total	
2005	2004	2005	2004	2005	2004	2005	2004
\$ 2,262,985	\$ 2,375,125	\$ 971,268	\$ 1,023,917	\$ 270,608	\$ 242,749	\$ 10,888,638	\$ 10,833,736
2,367,388	2,373,623	847,472	885,855	227,094	246,862	8,759,184	8,586,926
341,999	320,117	36,906	33,668	78,943	77,652	1,228,784	1,211,485
181,229	202,050	19,903	22,899	99,007	79,088	1,205,824	1,154,884
2,890,616	2,895,790	904,281	942,422	405,044	403,602	11,193,792	10,953,295
\$ (627,631)	\$ (520,665)	\$ 66,987	\$ 81,495	\$ (134,436)	\$ (160,853)	\$ (305,154)	\$ (119,559)

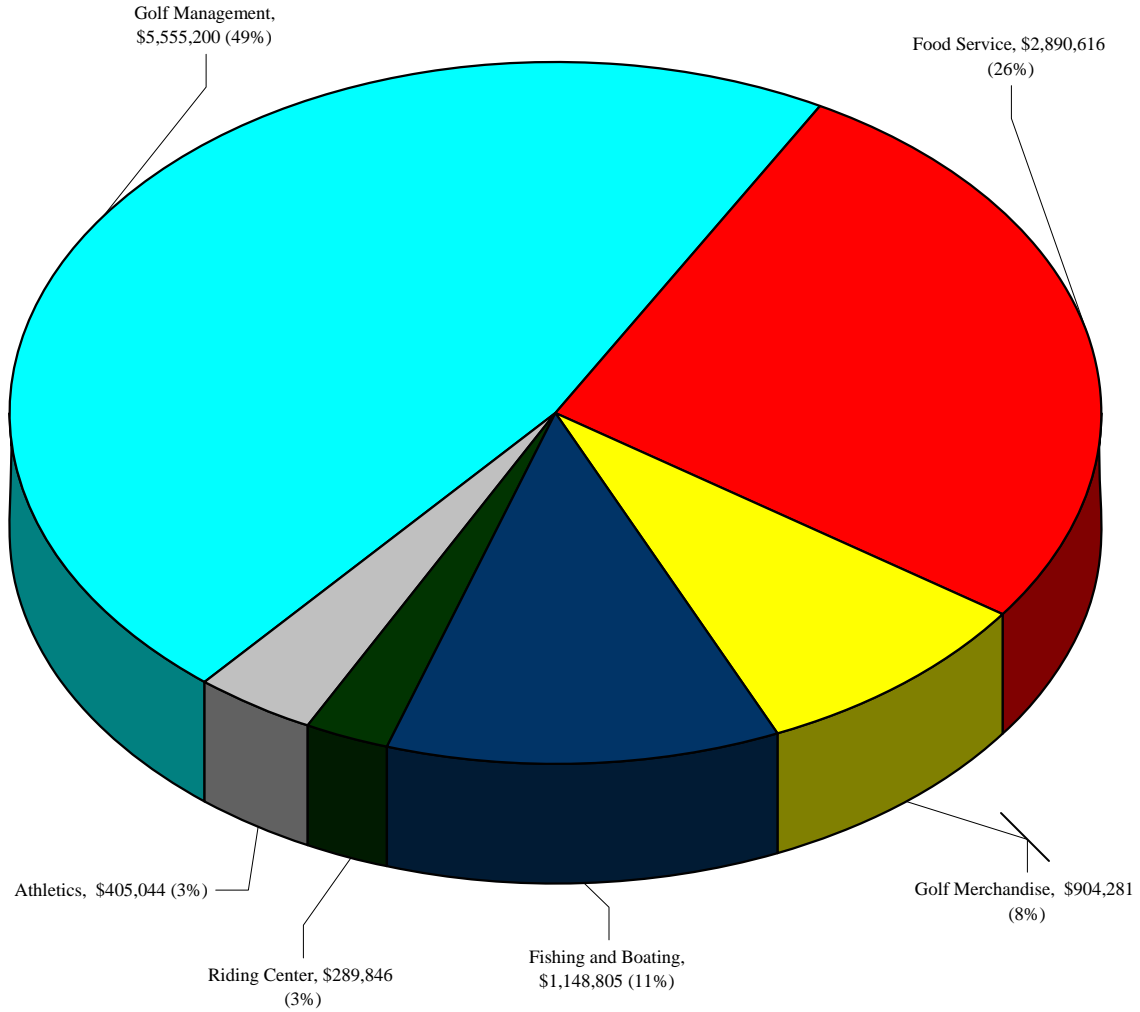
**HAMILTON COUNTY PARK DISTRICT
BUSINESS ACTIVITIES
OPERATING REVENUES BY DEPARTMENT
For the Year Ended December 31, 2005
(Unaudited)**



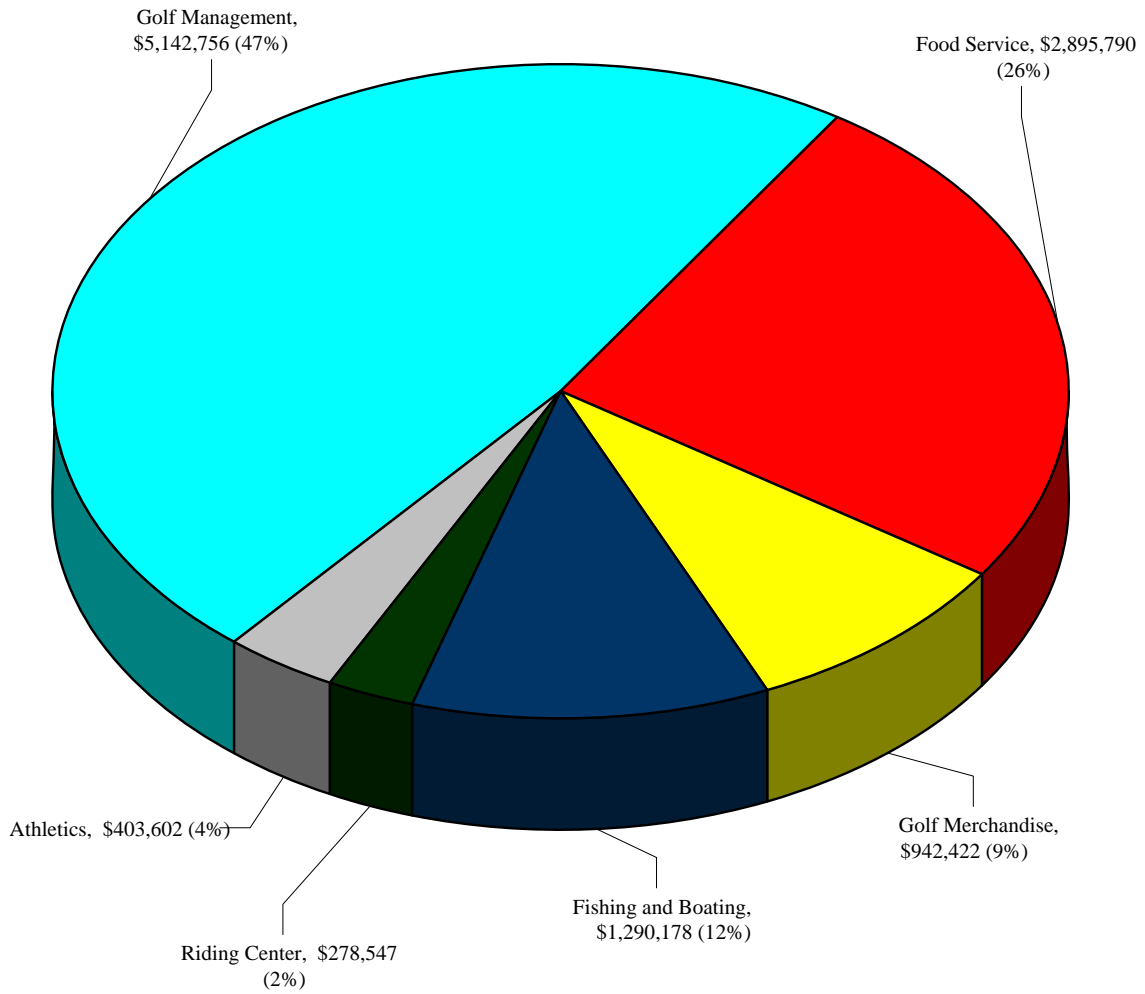
**HAMILTON COUNTY PARK DISTRICT
BUSINESS ACTIVITIES
OPERATING REVENUES BY DEPARTMENT
For the Year Ended December 31, 2004
(Unaudited)**



**HAMILTON COUNTY PARK DISTRICT
BUSINESS ACTIVITIES
OPERATING EXPENSES BY DEPARTMENT
For the Year Ended December 31, 2005
(Unaudited)**



**HAMILTON COUNTY PARK DISTRICT
BUSINESS ACTIVITIES
OPERATING EXPENSES BY DEPARTMENT
For the Year Ended December 31, 2004
(Unaudited)**



Hamilton County Park District Management's Discussion and Analysis (Unaudited)

Significant Fund Activity

Capital Project Fund

Capital projects outlays totaled \$4 million financed by \$4.1 million transfer from general fund and opening fund balance. There was no debt incurred to finance Park District improvements. The Enterprise Fund finances its own improvements.

Mitchell Fund

In 2005 sizeable investment income resulted from cash dividends of \$106,669. At year end the fair value of the portfolio increased by \$396,966. In 2005 \$108,206 was spent for operation and maintenance Mitchell Memorial Park.

Burchneal Fund

In 2005, investment income includes interest and dividends approximately \$18,000 and unrealized gain of \$60,000. Expenditures reduced the fund balance by \$5,900.

Enterprise Fund

In 2005, \$1,433,000 of positive cash flow was provided by the Golf, Fishing and Boating, Riding Center and sale of Golf Merchandise. Over \$2,034,000 was used for Enterprise capital improvements.

General Fund Budgetary Highlights

The Park Districts annual budget, the starting point for its financial planning and control, 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.

The Board of Park Commissioners adopts the annual operating budget for the Park District in December preceding the budget year. All disbursements and transfers of cash between funds require appropriation by the Park Commissioners. The adopted budget may be amended by the Park commissioners. All budgeted amendments and supplemental appropriations made during 2005 are included in the revised budgeted amounts presented in the budget to include comparisons. This information is presented on page 57.

Differences between the Park Districts original budgeted revenue and final budgeted revenue were minimal and were due to capital outlay revisions in Administration and Visitors Services.

General Fund

General fund balance increased over the prior year due to excess revenues over expenditures and other uses. In both 2005 and 2004, there were excess transfers ultimately resulting in a negative fund balance.

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

Capital Assets

At December 31, 2005, the Park District had invested \$80,595,427 (net of accumulated depreciation) in governmental capital assets and \$14,483,815 in Business-Type Activities compared to \$74,435,225 and \$13,655,198 in 2004. This represents an increase of 8% in governmental and 6% increase in business-type.

Table 4 provides a comparable summary of the Park Districts capital assets, net of accumulated depreciation for fiscal years 2005 and 2004.

Major capital additions during the year were:

- Francis, Donation, 119 acres – Fair value \$4.4 million
- Fernbank Park, leasehold improvements \$1 million
- Armleder Park – leasehold improvements \$927,000
- Golf Management – new golf carts, \$481,000
- Shawnee Lookout – 79 acres cost \$92,000.

For more detailed information, see capital asset activity information in notes 1 and 7 to the basic financial statements.

Table 4
Hamilton County Park District's
Capital Assets at Year End
(Net of accumulated depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Land	\$57,947,471	\$54,011,636	\$ 2,579,126	\$ 2,579,126	\$60,526,597	\$56,590,762
Buildings	13,340,972	13,126,719	10,868,773	10,411,089	24,209,745	23,537,808
Equipment	1,386,472	1,092,802	1,035,916	664,983	2,422,388	1,757,785
Infrastructure	4,800,354	4,792,636	—	—	4,800,354	4,792,636
Leasehold Improvements	3,120,158	1,411,432	—	—	3,120,158	1,411,432
	<u>\$80,595,427</u>	<u>\$74,435,225</u>	<u>\$14,483,815</u>	<u>\$13,655,198</u>	<u>\$95,079,242</u>	<u>\$88,090,423</u>

Because of requirements of GASB 34, infrastructure must be reported retroactively since 1980. Acquisitions and related depreciation prior to 2001 will be retroactively reported by 2007. The Park District has reported infrastructures since 2001.

Long-Term Debt

The Park District had total long term debt of \$2,213,659 at December 31, 2005 compared to \$1,714,151 at December 31, 2004. This obligation represents the amount due employees for vested vacation, holiday and, compensatory time, payable at December 31, 2005, as well as maximum allowable sick time payable at December 31, 2005, for employees meeting the criteria for accrual at 2005, \$1,858,601, and \$1,714,151 for 2004. Also at December 31, 2005 is a note payable for purchase of golf carts totaling \$355,058.

Additional information on the Park Districts' compensated absences can be found in Note 9 to the basic financial statements.

Hamilton County Park District Management's Discussion and Analysis (Unaudited)

The Park District has no other long term debt. The legal debt limitations at December 31, 2005 were \$186,770,000 and \$187,238,000 at 2004. Page 89 in the Statistical section of CAFR, shows this compilation.

Economic Factors and Next Years Budget

The Park District is a special purpose government operating under the authority of Chapter 1545 of the Ohio Revised Code, providing park and recreation opportunities to the citizens of Hamilton County, as well as adjoining counties, Northern Kentucky and Southeastern Indiana.

Fifty-four percent (54%) of the U.S. population is within one hour's flight time and the Metropolitan Area is within 600 miles of 53% of the nation's purchasing power and 54% of the nation's manufacturing establishments.

The corporate headquarters of numerous companies are located in Hamilton County. Cincinnati is the home of several Fortune 500 corporations, including Proctor & Gamble, Kroger Company, Cinergy and American Financial Corporation. Another 370 Fortune 500 companies have operations in the Metropolitan area.

The Metropolitan Area is a growing center for international business, with approximately 800 companies engaged in international trade. Metropolitan Area companies generate sales of approximately \$4.0 billion to customers outside the U.S. each year. Major export products include jet engines, plastics, machinery, computer software, paper and consumer goods. Directly imported products amount to over \$2.0 billion annually. Over 150 Greater Cincinnati companies are also owned by foreign companies from Japan, England, Western Europe and Canada. New investment by suppliers to the new Japanese auto plants in the Midwest is particularly strong. Foreign trade zone status is also available in Greater Cincinnati to assist firms engaged in international trade to lower import duty and tax expenses.

The County is also the location of major federal government installations, including a regional postal service center, a regional internal revenue service center, an environmental research center, an occupational health and safety research center and the Sixth Circuit Court of Appeals.

The County's primary sporting venues include Great American Ballpark, with a seating capacity of 42,300; the USBank Arena, which can accommodate 17,000; Cincinnati Gardens which seats 10,800 and the Shoemaker Center at the University of Cincinnati with a capacity of 13,176, Cintas Center at Xavier University with seating for 10,250 and Paul Brown Stadium seating 65,600.

For further information regarding Hamilton County, see Statistical Section.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, patrons, and creditors with a general overview of the Park District's finances and to show the Park District's accountability for the funds it receives. If you have any questions about this report or need additional financial information, contact the Treasurer, Hamilton County Park District, 10245 Winton Road, Cincinnati, OH 45231 or call (513) 521-7275.

HAMILTON COUNTY PARK DISTRICT
Statement of Net Assets
December 31, 2005

	Governmental Activities	Business-type Activities	Total
Assets			
Current assets			
Cash and cash equivalents.....	\$ 3,735,053	\$ 435,009	\$ 4,170,062
Investments, primarily restricted.....	4,168,852		4,168,852
Receivables			
Accounts.....	2,887		2,887
Intergovernmental	1,033		1,033
Taxes	18,119,366		18,119,366
Inventories.....		302,565	302,565
Total current assets.....	<u>26,027,191</u>	<u>737,574</u>	<u>26,764,765</u>
Non current assets			
Nondepreciable capital assets.....	54,092,834	2,579,126	56,671,960
Depreciable capital assets, net	26,502,593	11,904,689	38,407,282
Total non current assets	<u>80,595,427</u>	<u>14,483,815</u>	<u>95,079,242</u>
Total assets.....	<u>106,622,618</u>	<u>15,221,389</u>	<u>121,844,007</u>
Liabilities			
Current liabilities			
Accounts payable and accrued expense	882,032	151,193	1,033,225
Unearned revenue.....	18,444,366		18,444,366
Due other governments	126,629	21,546	148,175
Compensated absences.....	136,295		136,295
Current portion – Notes payable		83,088	83,088
Total current liabilities.....	<u>19,589,322</u>	<u>255,827</u>	<u>19,845,149</u>
Other Liabilities			
Note payable		355,058	355,058
Compensated absences.....	1,623,195	99,111	1,722,306
Internal balances.....	(3,220,668)	3,220,668	
Total other liabilities	<u>(1,597,473)</u>	<u>3,674,837</u>	<u>2,077,364</u>
Total liabilities	<u>17,991,849</u>	<u>3,930,664</u>	<u>21,922,513</u>
Net Assets			
Invested in capital assets	80,595,427	14,483,815	95,079,242
Restricted for:			
Capital projects.....	4,323,146		4,323,146
Special Revenue Funds	5,467,403		5,467,403
Unrestricted (deficit)	(1,755,207)	(3,193,090)	(4,948,297)
Total net assets.....	<u>88,630,769</u>	<u>11,290,725</u>	<u>99,921,494</u>

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Statement of Activities
For the Year Ended December 31, 2005

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Parks and Recreation	\$ 18,929,691	\$ 2,385,721	\$ 53,764	\$ 5,471,198
Business-Type Activities				
Golf Courses	5,555,200	5,977,809		
Fishing and Boating	1,148,805	1,096,541		
Riding Center	289,846	309,427		
Food Service	2,890,616	2,262,985		
Golf Merchandise	904,281	971,268		
Athletics	405,044	270,608		
Total Business-Type Activities	11,193,792	10,888,638		
Total Government.....	\$ 30,123,483	\$ 13,274,359	\$ 53,764	\$ 5,471,198

General Revenues

- Taxes
- Investment gain
- Miscellaneous
- Total general revenues

Change in Net Assets

Net Assets, Beginning of Year

Net Assets, Ending of Year

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Primary Business-Type Activities	Total
\$ (11,019,008)	\$	\$ (11,019,008)
	422,609	422,609
	(52,264)	(52,264)
	19,581	19,581
	(627,631)	(627,631)
	66,987	66,987
	(134,436)	(134,436)
	(305,154)	(305,154)
(11,019,008)	(305,154)	(11,324,162)
18,347,337		18,347,337
363,117		363,117
204,113		204,113
18,914,567		18,914,567
7,895,559	(305,154)	7,590,405
80,735,210	11,595,879	92,331,089
\$ 88,630,769	\$ 11,290,725	\$ 99,921,494

HAMILTON COUNTY PARK DISTRICT
Balance Sheet
Governmental Funds
December 31, 2005

	General Fund	Capital Projects Fund	Mitchell Trust Fund	Other Funds	Total Governmental Funds
Assets					
Cash and cash equivalents.....	\$ 1,642,587	\$ 743,496	\$ 66,705	\$ 1,282,265	\$ 3,735,053
Investments			2,924,014	1,244,838	4,168,852
Receivables					
Accounts.....	2,887				2,887
Intergovernmental	1,033				1,033
Taxes	18,119,366				18,119,366
Due from other funds	36,453	3,799,545			3,835,998
Total assets	\$ 19,802,326	\$ 4,543,041	\$ 2,990,719	\$ 2,527,103	\$ 29,863,189
Liabilities					
Accounts payable	\$ 175,052	\$ 22,443	\$ 849	\$ 9,880	\$ 208,224
Accrued salaries payable.....	503,674	33,428	1,952		539,054
Unearned revenue.....	18,444,366				18,444,366
Retainage payable		134,754			134,754
Due to other funds.....	578,877		36,453		615,330
Due other government agencies	96,074	29,270	1,285		126,629
Compensated Absences.....	136,295				136,295
Total liabilities	19,934,338	219,895	40,539	9,880	20,204,652
Fund Balances (Deficit)					
Reserved for					
Encumbrances	512,587	580,967	1,034	27,894	1,122,482
Unreserved					
General Fund.....	(644,599)				(644,599)
Capital Projects Fund		3,742,179			3,742,179
Special Revenue Funds			2,949,146	2,489,329	5,438,475
Total fund balances (deficit)	(132,012)	4,323,146	2,950,180	2,517,223	9,658,537
Total liabilities and fund balances.....	\$ 19,802,326	\$ 4,543,041	\$ 2,990,719	\$ 2,527,103	\$ 29,863,189

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Reconciliation of Total Governmental Funds
Balance to Net Assets of Governmental Activities
December 31, 2005

Total Governmental Funds Balance	\$ 9,658,537
<i>Amounts reported for Governmental Activities in the Statement of Net Assets are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	80,595,427
Long term liabilities are not due and payable in the current period and therefore are not recorded in the funds	<u>(1,623,195)</u>
Net Assets of Governmental Activities	<u>\$ 88,630,769</u>

HAMILTON COUNTY PARK DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2005

	General Fund	Capital Projects Fund	Mitchell Trust Fund	Other Funds	Total Governmental Funds
Revenues					
Taxes	\$ 18,347,337	\$	\$	\$	\$ 18,347,337
Motor Vehicle Permits	1,232,689				1,232,689
Charges for Service	4,764,619	736,298			5,500,917
Fines and Damage	14,818				14,818
Donations and Grants	1,948,950			291,997	2,240,947
Investment Income	138,485		146,365	78,267	363,117
Miscellaneous	180,127			8,373	188,500
Total revenue	26,627,025	736,298	146,365	378,637	27,888,325
Expenditures					
Current:					
General Government	2,157,443				2,157,443
Public Safety	3,945,893				3,945,893
Operation and Maintenance	8,627,042		108,206	356,635	9,091,883
Land Management	347,957				347,957
Resource Quality	181,353				181,353
Naturalist	1,409,221				1,409,221
Communication	812,204				812,204
Visitor Services	2,156,782				2,156,782
Facilities	1,720,158				1,720,158
Capital Outlay		4,346,724			4,346,724
Total expenditures	21,358,053	4,346,724	108,206	356,635	26,169,618
Excess (deficiency) of revenues over expenditures	5,268,972	(3,610,426)	38,159	22,002	1,718,707
Other financing sources (uses)					
Transfers in		4,100,000	949	25,051	4,126,000
Transfers out	(4,126,000)				(4,126,000)
Total other financing sources (uses)	(4,126,000)	4,100,000	949	25,051	
Net change in fund balance	1,142,972	489,574	39,108	47,053	1,718,707
Fund Balances (Deficit), Beginning of Year	(1,274,984)	3,833,572	2,911,072	2,470,170	7,939,830
Fund Balances (Deficit), End of Year	\$ (132,012)	\$ 4,323,146	\$ 2,950,180	\$ 2,517,223	\$ 9,658,537

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2005

Net Change in Fund Balances Total Governmental funds \$ 1,718,707

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 capitalized and not expensed. This is the amount by which such capitalization increased net assets of governmental activities. 6,160,202

Change in long term liabilities (compensated absences) not reported as expenditures in governmental funds. 16,650

Change in Net Assets-Governmental Activities \$ 7,895,559

HAMILTON COUNTY PARK DISTRICT
Statement of Net Assets
Proprietary Fund
December 31, 2005

	Enterprise Fund
Assets	
Current Assets	
Cash and cash equivalents	\$ 435,009
Inventories	302,565
Total current assets	737,574
Property and Equipment	
Land	2,579,126
Buildings and improvements	20,643,172
Equipment	4,405,150
	27,627,448
Less accumulated depreciation	13,143,633
Net property and equipment	14,483,815
Total assets	15,221,389
Liabilities	
Current Liabilities	
Accounts payable	49,013
Accrued salaries payable	102,180
Due other government agencies	21,546
Current portion – notes payable	83,088
Total current liabilities	255,827
Other Liabilities	
Notes payable	355,058
Compensated absences	99,111
Internal balances	3,220,668
Total other liabilities	3,674,837
Total liabilities	3,930,664
Net Assets	
Invested in capital assets	14,483,815
Unrestricted	(3,193,090)
Total net assets	\$ 11,290,725

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Fund
For the Year Ended December 31, 2005

	Enterprise Fund
Operating Revenues	
Charges for Sales and Service	\$ 10,888,638
Total operating revenues	10,888,638
Operating Expenses	
Costs of Sales and Services	8,759,184
Administration	1,228,784
Depreciation.....	1,205,824
Total operating expense	11,193,792
Change in Net Assets	(305,154)
Total Net Assets, Beginning of Year	11,595,879
Total Net Assets, End of Year	\$ 11,290,725

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2005

	Enterprise Fund
Cash Flows from Operating Activities	
Receipts from customers	\$ 10,888,638
Paid to vendors.....	(1,328,533)
Paid to employees	(4,061,187)
Payments to other funds	(4,065,000)
	1,433,918
Cash Flows From Capital and Related Financing Activities	
Proceeds from note payable	481,154
Payment on note payable	(43,008)
Payments for capital acquisition, net of disposals...	(2,034,441)
Net Cash Used in Capital and Related Financing Activities.	(1,596,295)
Decrease in Cash and Cash Equivalents	(162,377)
Cash and Cash Equivalents, Beginning of Year	597,386
Cash and Cash Equivalents, End of Year	\$ 435,009
Reconciliation of Change in Net Assets to Net Cash Provided by Operating Activities:	
Change in net assets	\$ (305,154)
Adjustment for items not requiring cash for operating activities:	
Depreciation.....	1,205,824
Changes in Assets and Liabilities	
Inventories	(3,164)
Accounts payable	37,834
Accrued salaries payable.....	8,463
Interfund payables	476,462
Due other governments	(11,152)
Compensated absences.....	24,805
	1,433,918
Net Cash Provided by Operating Activities	\$ 1,433,918

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Description of Hamilton County Park District

The Hamilton County Park District (Park District) was created in 1930 under authority of Chapter 1545 of the Ohio Revised Code for the purpose of protecting local natural resources and providing outdoor recreation. The Park District is governed by a three-member Board of Park Commissioners, each of whom serves without pay and is appointed to three-year terms by the Probate Court Judge of Hamilton County. The first Park Board took office on July 17, 1930.

The Board of Park Commissioners appoints a Director who is also the Chief Executive Officer. The Director is responsible for executing policy of the Park Board. Since 1930, the Park District has acquired and conserved 15,619 acres of parkland, including twenty parks and nature preserves. The Park District adopted the following mission statement “to preserve and protect natural resources and to provide outdoor recreation and education in order to enhance the quality of life for present and future generations”. Listed below are the names and locations of the parks, nature preserves and greenspace areas owned and/or management by the Park District.

Parks and Nature Preserves Managed by Hamilton County Park District

Armleder Park	Mitchell Memorial Forest
Embshoff Woods	Newberry Wildlife Sanctuary
Farbach-Werner Nature Preserve	Oak Glen Nature Preserve
Fernbank Park	Richardson Forest Preserve
Francis RecreAcres	Sharon Woods
Glenwood Gardens	Shawnee Lookout
Kroger Hills	Triple Creek
Lake Isabella	Winton Woods
Little Miami Golf Center	Withrow Nature Preserve
Miami Whitewater Forest	Woodland Mound

Property Acquired in Fee Simple	Acreage
<u>Embshoff Woods</u> - Paul Road, off Mt. Alverno Road between Delhi Pike and Route 50, Cincinnati and Delhi Township	331
<u>Farbach Werner Nature Preserve</u> - Poole Road and Colerain Avenue, Colerain Township	22
<u>Francis RecreAcres</u> – Conrey Road, north of School Road, Sharonville.	145
<u>Glenwood Gardens</u> - Springfield Pike and Glendale Milford Road	335
<u>Kroger Hills</u> - Off Wooster Pike, between Newtown and Terrace Park, Indian Hill and Columbia Township	3

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Property Acquired in Fee Simple	Acreage
<u>Lake Isabella</u> - Loveland-Madeira Road at I-275, Symmes Township	73
<u>Little Miami Golf Center</u> - Newtown Road between Route 50 and Route 32, Newtown, Anderson and Columbia Townships - 348 acres. (Includes Little Miami Golf Center, Bass Island, Avoca Trailhead.)	408
<u>Miami Whitewater Forest</u> - Harrison Pike, off I-74 at Dry Fork Road exit, Crosby, Harrison and Whitewater Townships	4,472
<u>Mitchell Memorial Forest</u> - Buffalo Ridge Road off Zion Road and East Miami River Road, Miami Township	1,336
<u>Newberry Wildlife Sanctuary</u> - West of I-275, near Sheits and Springdale Roads, Colerain Township	100
<u>Oak Glen Nature Preserve</u> - Colerain Township	109
<u>Richardson Forest Preserve</u> - Off Colerain Avenue between Kemper Road and Lick Road, Colerain Township	239
<u>Sharon Woods</u> - Route 42, south of I-275, Sharonville	730
<u>Shawnee Lookout</u> - South of Route 50 at Cleves, entrance off Lawrenceburg Road, Miami Township	1,336
<u>Triple Creek</u> - Buell Road and Pippin Road, north of I-275, Colerain Township	177
<u>Winton Woods</u> - Winton Road, south of I-275, Forest Park, Greenhills, Woodlawn and Springfield Township	1,224
<u>Withrow Nature Preserve</u> - Five Mile Road, between I-275 and Route 52, Anderson Township	142
<u>Woodland Mound</u> - Old Kellogg Avenue, between Eight and Nine Mile Roads, Anderson Township and Pierce Township, Clermont County	1,031
Total of Property Acquired in Fee Simple	<u>12,213</u>

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Property Acquired by Lease	Acreage
<u>Armleder Park</u> – Leased from the City of Cincinnati, Wooster Pike and Beechmont Avenue, Cincinnati, expiring December 31, 2017, with three renewal periods of five years. No rental fees.	240
<u>Fernbank Park</u> – Leased from Cincinnati Park Board – Route 50 and Thornton Avenue, Cincinnati, expiring December 31, 2017, with three renewal periods of five years. No rental fees.	58
<u>Kroger Hills</u> – Leased from Ohio Department of Natural Resources – Off Wooster Pike, between Newtown and Terrace Park, Indian Hill and Columbia Township, expiring July 25, 2008 with one renewal period of 30 years. No rental fees.	214
<u>Lake Isabella</u> – Leased from Ohio Department of Natural Resources – Loveland-Madeira Road at I-275, Symmes Township, expiring April 7, 2017. No Rental fees.	4
<u>Richardson Forest Preserve</u> – Leased from the Nature Conservancy – Kemper Road and Lick Road, Colerain Township, expiring December 2005 with annual one year renewals. Rental fee \$1 per year.	154
<u>Shawnee Lookout</u> – Leased from U.S. Army Corps of Engineers – South of Route 50 at Cleves, entrance off Lawrenceburg Road, Miami Township, expiring June 30, 2008 with renewal period of five years. No rental fees.	36
<u>Winton Woods</u> – Leased from U.S. Army Corps of Engineers – Winton Road, South of I-275, Forest Park, Greenhills, Woodlawn and Springfield Township, with no expiration date. No rental fee	1,331
<u>Withrow Nature Preserve</u> – Leased from the Nature Conservancy – Five Mile Road, between I-275 and Route 52, Anderson Township, expiring September 15, 2005 with annual one year renewals. Rental fee \$1 per year.	129
Total of all Property Acquired by Lease	2,166
Conservation / Other Easements	Acreage
<u>Little Miami Golf Center & River Corridor</u> – Easement for bike trail purposes near Rt. 32 and the Little Miami River.	8
<u>Mitchell Memorial Forest</u> – Conservation Easement near Buffalo Ridge Road	17
<u>Richardson Forest Preserve</u> – Conservation Easement near Lick Road	20
<u>Shawnee Lookout</u> – Conservation Easements in Great Miami River Floodplain	915
<u>Wegman Conservation Easement-Green Twp.</u> – Conservation Easement and partnership Agreement with Green Township located on Reemelin Road	34
<u>Woodland Mound</u> – Conservation easement on .40 acre on privately owned property to Prevent development that would create conflict with Vineyard Golf Course.	1
Total of all Conservation/Other Easements	995

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Outleases-Co-operative Arrangements	Acreage
<u>Anderson Township-Forest Realty</u> – To be transferred to Anderson Greenspace I-275 and Asbury Road	6
<u>Broadwell Woods</u> – Leased to Anderson Park District, Broadwell Road, east of Newtown, expiring December 10, 2052 with renewal period of 50 years. No rental fees.	68
<u>I-74 Geenway</u> – Leased to Green Township I-74 east of Race Road, expiring September 18, 2052, with renewal period of 50 years. No rental fees.	1
<u>The Narrows</u> – to be transferred to Delhi Township. Hillside near Bender Road overlooking Ohio River	40
<u>North Bend Canal Tunnel</u> – Miami Whitewater Canal Tunnel – to be leased to Cleves.	1
<u>Northside Woods</u> – Greenspace area east of Mt. Airy Forest – to be leased to Cincinnati Park Board.	60
<u>Spieker Park</u> – 4390 Overton Avenue, Green Township, Leased to Green Township, expiring September 18, 2052 with renewal period of 50 years. No rental fees.	26
<u>William McNEilan Johnson Hills Park</u> – Bridle Road, Anderson Township, leased to Anderson Park District, expiring February 9, 2099. No rental fees.	45
Total of all Out-leases Co-operative Arrangements	247
Total Acreage	15,621

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

B. Reporting Entity

As required by accounting principles generally accepted in the United States of America (GAAP), these financial statements present all funds for which the Park District is financially accountable. The Park District is considered a related organization to Hamilton County, Ohio. This decision is based on the fact that the Board of Commissioners are appointed by the Probate Court Judge of Hamilton County, but Hamilton County cannot impose its will on the Park District in any manner, nor does there exist any financial benefit or burden relationship between the Park District and Hamilton County.

The accompanying financial statements of the Park District are prepared in conformity with GAAP, prescribed in statements and interpretations issued by Governmental Accounting Standards Board (GASB) including GASB Statement No. 34.

C. Basic Financial Statements – Government Wide Statements

The Statement of Net Assets and the Statement of Activities display information about the Park District. These statements include the financial activities of the overall government.

For the government-wide financial statements, eliminations have been made to remove the double reporting of internal activities. These statements distinguish between the governmental and business type activities of the Park District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole, or in part, by fees charged to external parties for goods or services. Program revenues for both types of activities include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or activity. Taxes and other items not properly included among program revenues are reported as general revenues.

The Statement of Net Assets reports all financial and capital resources using the economic resources measurement focus and the accrual basis of accounting. The Park District presents the statement in a format that displays *assets less liabilities equal net assets*. *Net assets* is displayed in three components:

- The *Invested in Capital Assets, Net of Related Debt* component consists of capital assets, net of accumulated depreciation with no related outstanding debt, except note payable on golf cart purchase.
- The *Restricted Net Assets* component represents net assets with constraints placed on their use that are either 1.) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or 2.) imposed by law through constitutional provisions or enabling legislation.
- The *Unrestricted Net Assets* component consists of net assets that do not meet the definition of the preceding two components.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

D. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Park District are reported in individual funds in the Fund Financial Statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in the fund financial statements is on the major funds in either the governmental or business-type activities categories. Each major fund is presented in a separate column in the statements. Nonmajor funds, by category, are summarized into a single column.

The following fund types are used by the Park District:

1. Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Park District:

- a. **General Fund** is the general operating fund of the Park District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Capital Projects Fund** is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds).
- c. **Mitchell Trust Fund** is used to account for the initial bequest from William Morris Mitchell and the subsequent accumulation of income, expenditures for contiguous land, construction, maintenance and operations of the Mitchell Memorial Forest.
- d. **Other Funds** are comprised of other Government/Drug Enforcement Funds, trust funds and other special revenue funds.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

2. Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary funds principal on going operations. Revenues and expenses not meeting this definition are reported as non operating revenues and expenses. The Park District applies all Financial Accounting Standards Board (FASB) pronouncements that were issued on or before November 30, 1989, unless the FASB pronouncement conflicts with or contradicts a GASB pronouncement. The Park District has elected not to apply FASB pronouncements issued after November 30, 1989. The following is a description of the proprietary fund of the Park District:

Enterprise Fund - The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Park District operates within this fund, golf courses, fishing and boating locations, riding center, food service facilities, sale of golf and fishing merchandise, and athletic facilities.

E. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Principal revenue sources considered susceptible to accrual include property and other taxes, state and federal grants, interest on investments, and fines. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

F. Pooled Cash and Cash Equivalents

The Park District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Cash Equivalents". Investments with original maturities of three months or less are considered to be cash equivalents. Cash equivalents are recorded at cost, which approximates market value. Interest earned from investments purchased with pooled cash is allocated to the funds, based on amounts in the pool, unless otherwise restricted by statute.

G. Investments

Investments are reported at fair value. Investments consist of securities owned by the Park District that are traded on a national exchange and valued at quoted market prices.

H. Inventories

Inventory is valued at the lower of cost or market, using first-in, first-out (FIFO) method. The costs of inventory items are recognized as expenses in the Enterprise Fund when sold or consumed.

I. Capital Assets

Governmental-type capital assets include land, buildings, furniture and fixtures, machinery and equipment, vehicles, and infrastructure owned by the Park District and are stated at historical or estimated historical cost. Donated assets are stated at estimated market value at the time of donation. All capital assets in excess of \$1,000 are capitalized.

Depreciation for governmental-type capital assets is provided using the straight-line method over the estimated life of the assets. Depreciation lives used for property items within each property classification are as follows:

Buildings	30 years	Parking	10 years
Machinery/Equipment	7 years	Trails	20 years
Vehicles	5 years	Sewers	20 years
Furniture/Fixtures	7 years	Dams	30 years
Water Supply	20 years	Bridges	30 years

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

Capital assets for the business-type activities (Enterprise Fund) in excess of \$1,000 are recorded at historical cost. Depreciation is charged as an expense against operations and capital assets are recorded net of accumulated depreciation on the *Statement of Net Assets*. See Note 7 for accumulated depreciation by asset class.

Depreciation in the business-type activities (Enterprise Fund) is provided using the straight-line method over the estimated lives of the assets. Depreciable lives used for property items within each property classification are as follows:

Buildings	30 Years
Machinery/Equipment	7 Years
Vehicles	5 Years
Furniture/Fixtures	7 Years
Golf Carts	5 Years

J. Compensated Absences

The Park District records accumulated unpaid sick leave, vacation, holiday and comp time benefits as compensated absences payable when earned by the employee.

Vacation - Full and part-time employees are eligible for vacation after completing one year of service with the Park District. One year is computed on the basis of 26 pay periods. After one year of service, employees may use current vacation accrual with approval from supervisor. Seasonal and hourly employees who become full or part-time will begin their accruals after 26 pay periods of continuous employment. Accrual of vacation time is as follows:

<u>Years of Service</u>	<u>Vacation Hours Earned Per 80 Hours Worked</u>	<u>Total Earned Per Year</u>
1 to 8 years	3.1 hours/80 hrs/pay	10 days/year
9 to 15 years	4.6 hours/80 hrs/pay	15 days/year
16 to 25 years	6.2 hours/80 hrs/pay	20 days/year
26 plus years	7.7 hours/80 hrs/pay	25 days/year

At the end of the 8th, 15th and 25th year, an employee will accrue an additional 40 hours of vacation leave and progress to the next accrual level.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

Vacation pay for eligible employees is based on current rate of pay. Overtime hours are not counted in computing vacation time. Any employee who works less than 2080 hours per year, will have vacation time determined by the percentage of the total hours they work. No vacation time is earned while an employee is on an unpaid leave of absence or an unpaid military leave.

Vacation time may be accumulated to a maximum of that earned in three years. At the time of an employee's termination, the employee is entitled to compensation at their current rate of pay for any earned but unused vacation leave up to a maximum of three years.

Sick Leave - accumulates at the rate of 4.6 hours every 80 hours worked with a maximum of 15 days per year. There is no maximum accumulation. It is to be used as needed and approved. Upon retirement or termination, an employee with 10 years or more of active service may receive a one-time payment. The payment is computed at one hour pay for each two hours of accrued sick leave but limited to accrued sick leave up to a maximum of 720 hours. At December 31, 2005 the Park District recorded a liability for sick leave totaling \$1,765,735 in accordance with GASB Statement No. 16, whereby sick leave is expensed and accrued only for probable retirees in the upcoming three years.

Comp Time - Depending on the employee's position, comp time may be earned at regular or time and a half rate. The maximum accumulation for non-exempt employees is 240 hours of comp time and comp time earned in excess of the maximum is paid to the employee. Exempt employees are required to take current year comp time by April of the following year.

Long-term obligations for vested sick leave, vacation and comp time and any claims or judgments are shown in the Statement of Net Assets. Unpaid vacation, sick leave and comp time, are computed as prescribed in GASB Statement Number 16. A full accrual for future amounts due in presented as compensated absences in government wide statements. See Footnote number 9.

K. Inter-Fund Transactions

During the normal course of operation, the Park District has certain transactions between funds. Charges from the General Fund to the Enterprise Fund and Other Funds for administration, maintenance, utilities and other costs are identified at Charges for Services (Revenue) by the General Fund and Expenditures in the Enterprise Fund and Other Funds. All other inter-fund transactions are reported as transfers.

Amounts identified as Interfund Receivable/Payable represent lending/borrowing arrangements outstanding at year's end. All other outstanding balances between funds are reported as "due to/from other funds."

L. Use of Restricted/Unrestricted Net Assets

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the Park District's policy is to apply restricted net assets first.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 2. Deposits, Investments and Investment Return

Deposits

Custodial credit risk is the risk that in the event of a bank failure, government's deposits may not be returned to it. The Park District deposit policy for custodial risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities or the state of Ohio; bonds of any city, county, school district or special road district of the state of Ohio; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits.

At December 31, 2005, \$3,953,793 of the Park District's bank balances of \$4,053,793 were exposed to custodial credit risk as these deposits were uninsured and collateral held was in other than the Park District's name.

Investments

The Park District may legally invest in direct obligations of, and other obligations guaranteed as to principal by, the U.S. Treasury and U.S. agencies and instrumentalities. The Park District may not purchase corporate bonds, stocks or notes. Donations of these items may be held until such time as the Board of Park Commissioners deems it advisable to sell such items.

At December 31, 2005, the Park District had the following investments and maturities:

Money Market mutual funds	\$	3,739
Corporate Stocks		<u>4,168,852</u>
	\$	<u><u>4,172,591</u></u>

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Interest Rate Risk As a means of limiting its exposure to fair value losses arising from rising interest rates, the Park District investment policy limits all maturities to a maximum of two years. The money market mutual funds are presented as an investment with a maturity of less than one year because they are redeemable in full immediately.

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligation. It is the Park Districts policy to limit its investments to those permitted by state law, donated corporate stock or corporate bonds. Purchases of corporate stock, corporate bonds, or obligations of political subdivisions other than the State of Ohio are prohibited.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Park District will not be able to recover the value of its investment or collateral securities that are in possession of an outside party. All investments in corporate stock are held in Park District's name. The Park District's investment policy does not address custodial credit risk.

Concentration of Credit Risk. The Park District limits investments with one issuer to no more than 50% of the investment portfolio, or \$1,000,000 which ever is less, except as follows:

- (a) Donated corporate stock, no limit.
- (b) External Investment Pool, (STAR OHIO) secured by U.S. Treasury obligations, no limit.
- (c) Fifth Third Bank. Balances totally collateralized with U.S. Treasury Securities, no limit.

Summary of Carrying Values

The carrying values of deposits and investments shown above are included in the balance sheets as follows:

Carrying value	
Deposits	\$ 4,170,062
Investments	<u>4,168,852</u>
	\$ <u>8,338,914</u>
Included in the following statement of net assets	
captions	
Cash and cash equivalents	\$ 4,170,062
Investments	<u>4,168,852</u>
	\$ <u>8,338,914</u>

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Investment Income

Investment Income for the year ended December 31, 2005 consisted of:

Interest and dividend income	\$ 262,717
Net increase in fair value of investments	<u>100,400</u>
	<u>\$ 363,117</u>

Note 4. Property Tax Revenues

Property taxes include amounts levied against real, public utility and tangible (used in business) property. The assessed value upon which the 2005 tax collection was based follows: (Amounts in 000's.)

Real Property –2004 Valuation	
Residential/Agricultural	\$ 11,354,444
Commercial/Industrial/Public Utilities	4,866,191
Tangible Personal Property – 2005 Valuation	
General	1,698,978
Public Utilities	<u>757,438</u>
Total Valuation	<u>\$ 18,677,051</u>

The County Treasurer bills and collects property taxes on behalf of all taxing districts in Hamilton County, including the Hamilton County Park District. Taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20 of the following year. The county's practice is to extend the December 31 due date to January. Unpaid taxes become delinquent after December 31 of the year they are due. Foreclosure proceedings may be initiated by the County Prosecutor if delinquent taxes are not paid within one year.

The County Auditor periodically remits to the Hamilton County Park District its portion of the taxes collected. The final settlement of real and public utility property taxes is made in April and September and tangible taxes in July and November for the first and second halves of the year, respectively. Collections of the taxes are accounted for in these statements.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 3. Property Tax Revenues (continued)

The Hamilton County Park District accrues property taxes as receivables since they can be measured and recorded when levied and recognizes them as deferred revenue since they are recorded in advance of the year for which they are levied. Property taxes are recognized as revenue in the year for which they are levied.

The Park District property tax is generated from two sources. The first is an unvoted .03 mill levy granted annually by the Hamilton County Commissioners. The second is a replacement levy of 1.0 mill which is scheduled to expire in 2016 and is not subject to a reduction factor.

Note 4. Operating Lease

The Park District leases various park properties, land and water, over varying periods. None of the agreements contain unusual renewal or purchase options. The Park District is responsible for preservation and maintenance of the properties. Future minimum rental payments under operating leases are \$1 per year for 2005 to 2009.

The Park District leases certain undeveloped land to other park districts for various terms at no charge.

Note 5. Defined Benefit Plans

All full time and part time employees are required to join the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer defined Benefit Pension Plan operated by the State of Ohio. OPERS issues a stand-alone Comprehensive Annual Financial Report, copies of which may be obtained by making a written request to: Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 466-2085.

Pension Benefits - OPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. Employees with five years of service are entitled to future benefits. Non law enforcement participants may retire at any age with 30 years of service, at or after age 60 with five years of credited service and at age 55 with a minimum of 25 years of service. Those individuals retiring with less than 30 years of service or less than age 65 receive reduced retirement benefits. Upon retirement, non law enforcement participants are entitled to a retirement benefit, payable monthly for life, equal to 2.2% of their final average salary for each year of credited service up to 30 years. These members are entitled to 2.5% of their final average salary for each year of service in excess of 30 years. Final average salary is calculated as the participant's average salary over the highest three years of earnings. Law enforcement officers, as defined in Chapter 145 of the Ohio Revised Code, are eligible for special retirement options. These options are available to such members at age 48 or older with 25 or more years of credited service. The annual benefit is calculated by multiplying 2.5 percent of final average salary by the actual years of service for the first 25 years of service credit and 2.1 percent of final average salary for each year of service over 25 years. These options also permit early retirement under qualifying circumstances as early as age 48.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Pension Contributions - Employer and employee required contributions to OPERS are established under Chapter 742 of the Ohio Revised Code and are based on percentages of covered employees' gross salaries. Contribution rates are calculated annually by the OPERS actuaries. Contribution rates for calendar year 2005 were as follows:

	<u>Employee Share</u>	<u>Employer Share</u>
Regular Employees	8.50%	13.55%
Law Enforcement Employees	10.10%	16.70%

Employer contributions required and made for the last three years were as follows:

For the Year Ended <u>December 31</u>	Employer's Contribution for Regular <u>Employees</u>	Employer's Contribution for Law Enforcement <u>Employees</u>
2005	\$ 1,097,540	\$ 321,238
2004	929,447	285,571
2003	926,451	258,775

Other Post-employment Benefits - All age and service retirees with 10 or more years of service credit qualify for healthcare coverage under OPERS. Healthcare coverage for disability recipients and primary survivor recipients is also available. Chapter 145, Ohio Revised Code, provides the statutory authority for employer contributions. The employer contribution rate for all employees to fund healthcare is 4% included in the total employer rate (13.55% and 16.70%). Employees do not fund any portion of healthcare costs.

The 2005 actuarially determined employer healthcare contribution requirement paid was:

Regular Employees	\$ 459,702
Law Enforcement Employees	<u>101,177</u>
	<u>\$ 560,879</u>

Note 6. Commitments

The Park District has contractual commitments to various vendors for future supplies and services for the Park District. Determinable amounts are recorded as encumbrances at December 31, 2005, as follows:

General Fund	\$ 512,587
Capital Projects Fund	580,967
Other Funds	<u>28,928</u>
	<u>\$ 1,122,482</u>

The Park District is the beneficiary of certain assets held in two charitable remainder trusts. Upon the death of the last surviving noncharitable recipient of the trust, the Park District shall receive all of the principal and income of these trusts.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 7. Capital Assets

A. Governmental Activities - changes in capital assets during the year ended December 31, 2005 is as follows:

	Balance January 1, 2005	Additions	Deletions	Balance December 31, 2005	Less Accumulated Depreciation	Net Book Value
Land	\$ 50,001,590	\$ 5,198,947	\$ 1,107,703	\$ 54,092,834	\$	\$ 54,092,834
Land Improvements	4,662,266			4,662,266	807,629	3,854,637
Buildings	22,452,915	989,236		23,442,151	10,101,179	13,340,972
Equipment	4,521,542	593,193	70,915	5,043,820	4,234,508	809,312
Vehicles	2,302,564	516,074	122,620	2,696,018	2,118,858	577,160
Infrastructure	5,633,537	335,310		5,968,847	1,168,493	4,800,354
Leasehold improvements	<u>1,411,432</u>	<u>1,968,739</u>		<u>3,380,171</u>	<u>260,013</u>	<u>3,120,158</u>
	<u>\$ 90,985,846</u>	<u>\$ 9,601,499</u>	<u>\$ 1,301,238</u>	<u>\$ 99,286,107</u>	<u>\$ 18,690,680</u>	<u>\$ 80,595,427</u>

B. Changes in Accumulated Depreciation - Governmental Activities for the year ended December 31, 2005 are as follows:

	Balance January 1, 2005	Additions	Deletions	Accumulated Depreciation December 31, 2005
Land Improvements	\$ 652,220	\$ 155,409	\$	\$ 807,629
Buildings	9,326,196	774,983		10,101,179
Equipment	3,926,589	375,529	67,610	4,234,508
Vehicles	1,804,715	424,163	110,020	2,118,858
Infrastructure	840,901	327,592		1,168,493
Leasehold improvements		<u>260,013</u>		<u>260,013</u>
	<u>\$ 16,550,621</u>	<u>\$ 2,317,689</u>	<u>\$ 177,630</u>	<u>\$ 18,690,680</u>

C. Business Activities – Changes in capital assets during the year ended December 31, 2005 are as follows:

	Balance January 1, 2005	Additions	Deletions	Balance December 31, 2005	Less Accumulated Depreciation	Net Book Value
Land	\$ 2,579,126	\$	\$	\$ 2,579,126	\$	\$ 2,579,126
Building and Improvements	20,273,715	1,211,665	842,208	20,643,172	9,774,399	10,868,773
Equipment	4,308,831	779,613	990,381	4,098,063	3,106,673	991,390
Vehicles	<u>263,924</u>	<u>43,163</u>		<u>307,087</u>	<u>262,561</u>	<u>44,526</u>
	<u>\$ 27,425,596</u>	<u>\$ 2,034,441</u>	<u>\$ 1,832,589</u>	<u>\$ 27,627,448</u>	<u>\$ 13,143,633</u>	<u>\$ 14,483,815</u>

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 7. Capital Assets (continued)

D. Changes in Accumulated Depreciation – Business Activities for the year ended December 31, 2005 is as follows:

	Accumulated Depreciation January 1, 2005	Additions	Deletions	Accumulated Depreciation December 31, 2005
Building and Improvements	\$ 9,862,626	\$ 753,981	\$ 842,208	\$ 9,774,399
Equipment	3,663,838	433,216	990,381	3,106,673
Vehicles	<u>243,934</u>	<u>18,627</u>	<u> </u>	<u>262,561</u>
	<u>\$ 13,770,398</u>	<u>\$ 1,205,824</u>	<u>\$ 1,832,589</u>	<u>\$ 13,143,633</u>

In 2005, the Park District received a gift of 119 acres of land valued at \$4,400,000. This land is restricted to be used as a public park and if it ceases to be used as such, will revert to a not-for-profit organization specified by the donor.

Note 8. Risk Management

The Park District is exposed to various risks of loss related to torts - theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years, nor has there been a significant reduction in insurance coverage in the same period.

The Park District pays into the State of Ohio Bureau of Workers Compensation System at a retrospective rate based on gross salaries less any employee contributions to a 457 plan. Workers claims are submitted to the State of Ohio for authorization and payment to the injured employee. The State of Ohio establishes employer payments, employee payments, and adequate reserves.

Note 9. Compensated Absences

A summary of changes in amount due for compensated absences is as follows:

	Balance January 1, 2005	Additions	Reductions	Balance December 31, 2005	Current Portion	Long-term Portion
Governmental activities	\$ 1,639,845	\$ 206,446	\$ 86,801	\$ 1,759,490	\$ 136,295	\$ 1,623,195
Business type activities	<u>74,306</u>	<u>50,260</u>	<u>25,455</u>	<u>99,111</u>	<u>—</u>	<u>99,111</u>
Total	<u>\$ 1,714,151</u>	<u>\$ 256,706</u>	<u>\$ 112,256</u>	<u>\$ 1,858,601</u>	<u>\$ 136,295</u>	<u>\$ 1,722,306</u>

Compensated absences will be paid from the fund in which employees salaries are paid which in prior years has typically been from the general fund and enterprise fund.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 10. Due to/From Other Funds

Individual fund asset and liability balances at December 31, 2005 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Other Funds	\$ 36,453
Enterprise Fund	General Fund	578,877
Capital Project Fund	Enterprise Fund	3,799,545

The balances represent timing differences related to routine transfers for operating and capital transactions.

As reported herein, transfer in and transfer out are as follows:

GENERAL FUND		
Transfer out to		
Capital Project Fund		\$ 4,100,000
Mitchell Fund		949
Other Funds		<u>25,051</u>
Total		<u>\$ 4,126,000</u>
Transfers in are:		
MITCHELL FUND		
Transfers in from General Fund	\$	949
CAPITAL PROJECT FUND		
Transfers in from General Fund	4,100,000	
OTHER FUNDS		
Transfers in from General Fund	<u>25,051</u>	
Total	<u>\$ 4,126,000</u>	

Transfers from the General Fund to the Capital Projects fund represent the Park District's funding of capital projects.

Note 11. Governmental Activities and Business Activities Unrestricted Net Assets Negative Balances

The negative balance in the unrestricted net assets for governmental activities and business activities is the result of net assets reserved for capital assets.

**REQUIRED SUPPLEMENTARY
INFORMATION**

(This page intentionally left blank)

HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2005

	Original <u>Budget</u>	Revised <u>Budget</u>	<u>Actual</u>	Variance Between Actual and Revised <u>Budget</u>
Revenues				
Taxes	\$ 18,724,000	\$ 18,362,300	\$ 18,672,337	\$ 310,037
Motor Vehicle Permits	1,315,500	1,315,500	1,232,688	(82,812)
Charges for Service	5,561,300	5,561,300	5,166,763	(394,537)
Fines and Damage	14,000	14,000	14,624	624
Interest and Dividends.....	36,000	36,000	138,485	102,485
Miscellaneous.....	514,100	1,639,100	1,579,829	(59,271)
Grants	580,000		550,367	550,367
Total Revenue	<u>26,744,900</u>	<u>26,928,200</u>	<u>27,355,093</u>	<u>426,893</u>
Expenditures				
General Government	6,013,200	6,114,653	5,934,131	(180,522)
Public Safety	3,930,100	3,898,100	3,859,485	(38,615)
Operation and Maintenance	7,732,000	7,866,855	7,850,465	(16,390)
Land Management.....	355,100	355,925	352,202	(3,723)
Resource Quality	191,000	191,000	182,057	(8,943)
Naturalist.....	1,441,300	1,441,300	1,420,619	(20,681)
Communication	706,600	767,293	748,926	(18,367)
Visitor Services	1,143,000	2,059,526	1,569,660	(489,866)
Total Expenditures	<u>21,512,300</u>	<u>22,694,652</u>	<u>21,917,545</u>	<u>(777,107)</u>
Excess of revenues over expenditures	5,232,600	4,233,548	5,437,548	1,204,000
Other Financing Sources (Uses)				
Transfers out.....	(5,232,600)	(4,584,131)	(4,126,000)	458,131
Deficiency of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ (350,583)</u>	<u>1,311,548</u>	<u>\$ 1,662,131</u>
Fund Balances, Beginning of Year			(1,849,177)	
Prior Year Encumbrances			665,606	
Fund Balances, End of Year			<u>\$ 127,977</u>	

See accompanying notes to required supplementary information.

HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis)
Mitchell Fund
For the Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	Variance Between Actual and <u>Revised Budget</u>
Revenues				
Sale of stock	\$	\$	\$ 16,150	\$ 16,150
Interest and dividends.....	914,600	914,600	146,365	(768,235)
Total Revenue.....	<u>914,600</u>	<u>914,600</u>	<u>162,515</u>	<u>(752,085)</u>
Expenditures				
Salaries	38,400	45,675	45,674	(1)
Fringe	8,900	8,900	5,691	(3,209)
Supplies	28,000	20,725	8,737	(11,988)
Utilities	9,300	9,800	8,565	(1,235)
Miscellaneous.....	580,000	216,221	988	(215,233)
Capital	250,000	250,000	1,992	(248,008)
Total Expenditures	<u>914,600</u>	<u>551,321</u>	<u>71,647</u>	<u>(479,674)</u>
Excess of revenues over expenditures		363,279	90,868	(272,411)
Other Financing Sources				
Transfers in.....			949	949
Excess of revenue and other financing sources over expenditures	<u>\$ —</u>	<u>\$ 363,279</u>	<u>91,817</u>	<u>\$ (271,462)</u>
Fund Balance, Beginning of Year			3,249,943	
Fund Balance, End of Year			<u><u>\$3,341,760</u></u>	

See accompanying notes to required supplementary information.

HAMILTON COUNTY PARK DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Process

Budget - A budget of estimated cash receipts and disbursements is submitted to the County Auditor, who serves as Secretary of the County Budget Commission, by July 20 of each year for the period of January 1 to December 31 of the following year.

Estimated Resources - The County Budget Commission certifies its actions to the Park District by September 1. As part of this certification, the Park District receives the official certificate of estimated resources which states the projected receipts of each fund. On or about January 1, this certificate is amended to include any unencumbered balances from the preceding year. Prior to December 31, the Park District must revise its budget so that the total budgeted expenditures from a fund during the ensuing fiscal year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the annual appropriation measure. Budget receipts, as shown on the accompanying financial statements, do not include January 1, 2003 unencumbered fund balances. However, those fund balances are available for appropriations.

Appropriations - A temporary appropriation measure to control cash disbursements may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. The appropriation measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources, as certified.

Encumbrances - The Park District is required to use the encumbrance method of accounting by mandate of Ohio law. Under this system, purchase orders, contracts and other commitments for the expenditure of funds are recorded on the Non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

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 succeeding fiscal year and need not be reappropriated.

All governmental and proprietary fund types of the Park District have legally adopted budgets at the departmental level for estimated resources and appropriations. Revisions to estimated resources or budgeted appropriations must be approved by the Board of Park Commissioners and submitted to the Hamilton County auditor. Division directors are responsible for operating within the approved budget, as periodically amended. Transfer of appropriations within departments does not require approval of the Board of Park Commissioners.

HAMILTON COUNTY PARK DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Process (continued)

Listed below is a reconciliation of the results of operations for the year ended December 31, 2005 from modified accrual (GAAP) basis to the Non-GAAP budgetary basis.

Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses

	General <u>Fund</u>	Mitchell <u>Fund</u>
GAAP Basis:	\$ 1,798,077	\$ 39,108
Adjustments:		
Revenue Accrued	403,068	16,150
Expenses Accrued	(736,578)	36,559
Encumbrances Change	<u>(153,019)</u>	<u> </u>
Budget Basis:	\$ <u>1,311,548</u>	\$ <u>91,817</u>

OTHER SUPPLEMENTARY INFORMATION

(This page intentionally left blank)

HAMILTON COUNTY PARK DISTRICT
Combining Balance Sheet
Non-Major Governmental Funds
For the Year ended December 31, 2005

	Law Enforcement Fund	Law Enforcement and Education Fund	Drug Law Enforcement Fund	Evergreen Fund	Burchenal Fund	Total Non Major Governmental Funds
Assets						
Cash and cash equivalents	\$ 7,913	\$ 906	\$ 7,675	\$ 1,248,772	\$ 16,999	\$ 1,282,265
Investments					1,244,838	1,244,838
Due from other funds						
Total assets	<u>\$ 7,913</u>	<u>\$ 906</u>	<u>\$ 7,675</u>	<u>\$ 1,248,772</u>	<u>\$ 1,261,837</u>	<u>\$ 2,527,103</u>
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$	\$	\$	\$ 9,880	\$	\$ 9,880
Total liabilities				<u>9,880</u>		<u>9,880</u>
Fund Balances:						
Reserved for encumbrances				27,894		27,894
Unreserved	7,913	906	7,675	1,210,998	1,261,837	2,489,329
Total fund balances	<u>7,913</u>	<u>906</u>	<u>7,675</u>	<u>1,238,892</u>	<u>1,261,837</u>	<u>2,517,223</u>
Total Liabilities and Fund Balances	<u>\$ 7,913</u>	<u>\$ 906</u>	<u>\$ 7,675</u>	<u>\$ 1,248,772</u>	<u>\$ 1,261,837</u>	<u>\$ 2,527,103</u>

HAMILTON COUNTY PARK DISTRICT
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non Major Governmental Funds
December 31, 2005

	Law Enforcement Fund	Law Enforcement and Education Fund	Drug Law Enforcement Fund	Evergreen Fund	Burchenal Fund	Total Non Major Governmental Fund
Revenues						
Donations and grants	\$	\$	\$	\$ 291,997	\$	\$ 291,997
Investment income					78,267	78,267
Miscellaneous	358	185	7,830			8,373
Total revenue	358	185	7,830	291,997	78,267	378,637
Expenditures						
Operation and Maintenance		1,553	6,390	342,755	5,937	356,635
Total expenditures		1,553	6,390	342,755	5,937	356,635
Excess (Deficiency) of Revenues	358	(1,368)	1,440	(50,758)	72,330	22,002
Other Financing Sources (Uses)						
Transfers in	173	35	162	24,424	257	25,051
Total other financing sources	173	35	162	24,424	257	25,051
Net Change In Fund Balances	531	(1,333)	1,602	(26,334)	72,587	47,053
Fund Balances, Beginning of Year	7,382	2,239	6,073	1,265,226	1,189,250	2,470,170
Fund Balances, End of Year	\$ 7,913	\$ 906	\$ 7,675	\$ 1,238,892	\$ 1,261,837	\$ 2,517,223

OTHER BUDGETARY INFORMATION

(This page intentionally left blank)

GOVERNMENTAL FUNDS

(This page intentionally left blank)

GENERAL FUND

The General Fund is the general operating fund of the Park District. It is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

(This page intentionally left blank)

HAMILTON COUNTY PARK DISTRICT
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis) by Department
General Fund
For the Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	Variance Between Actual and <u>Revised Budget</u>
Revenues				
Taxes	\$ 18,724,000	\$ 18,362,300	\$ 18,672,337	\$ 310,037
Motor Vehicle Permits	1,315,500	1,315,500	1,232,688	(82,812)
Charges for Service	5,561,300	5,561,300	5,166,763	(394,537)
Fines and Damage	14,000	14,000	14,624	624
Interest and Dividends.....	36,000	36,000	138,485	102,485
Miscellaneous.....	514,100	1,639,100	1,579,829	(59,271)
Grants	580,000		550,367	550,367
Total revenue	26,744,900	26,928,200	27,355,093	426,893
Expenditures				
Administration Department				
Salaries	1,788,400	1,779,726	1,751,738	(27,988)
Fringes.....	454,500	486,000	462,983	(23,017)
Supplies.....	766,500	752,602	718,277	(34,325)
Travel	45,000	35,546	24,601	(10,945)
Insurance Utilities	292,900	297,300	291,043	(6,257)
Miscellaneous.....	552,200	555,651	529,756	(25,895)
Capital Outlay	2,113,700	2,207,828	2,155,733	(52,095)
Total Administration Department	6,013,200	6,114,653	5,934,131	(180,522)
Safety Department				
Salaries	2,833,200	2,799,000	2,771,537	(27,463)
Fringes.....	788,300	787,500	787,408	(92)
Supplies.....	143,000	148,500	142,161	(6,339)
Insurance Utilities	4,700	4,700	4,590	(110)
Miscellaneous.....	10,400	4,900	4,395	(505)
Capital Outlay	150,500	153,500	149,394	(4,106)
Total Safety Department	3,930,100	3,898,100	3,859,485	(38,615)
Operations Department				
Salaries	3,971,400	3,861,963	3,861,469	(494)
Fringes.....	1,045,100	1,106,957	1,105,894	(1,063)
Supplies.....	1,282,700	1,233,691	1,227,785	(5,906)
Insurance Utilities	1,030,900	1,188,900	1,181,076	(7,824)
Miscellaneous.....	14,500	11,884	11,883	(1)
Capital Outlay	387,400	463,460	462,358	(1,102)
Total Operations Department	7,732,000	7,866,855	7,850,465	(16,390)

(continued)

HAMILTON COUNTY PARK DISTRICT
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis) by Department - continued
General Fund
For the Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	Variance Between Actual and <u>Revised Budget</u>
Land Management Department				
Salaries	\$ 244,400	\$ 244,400	\$ 244,390	\$ (10)
Fringes.....	66,500	72,500	71,834	(666)
Supplies.....	44,400	38,225	35,803	(2,422)
Miscellaneous.....	800	800	175	(625)
Total Land Management Department	356,100	355,925	352,202	(3,723)
Resource Quality Department				
Salaries	129,100	129,100	128,906	(194)
Fringes.....	43,900	43,900	41,971	(1,929)
Supplies.....	17,100	17,100	10,348	(6,752)
Miscellaneous.....	900	900	832	(68)
Total Resource Quality Department	191,000	191,000	182,057	(8,943)
Naturalist Department				
Salaries	810,100	829,433	829,432	(1)
Fringes.....	227,200	242,200	239,485	(2,715)
Supplies.....	397,000	361,067	343,406	(17,661)
Miscellaneous.....	7,000	7,500	7,276	(224)
Capital Outlay		1,100	1,020	(80)
Total Naturalist Department	1,441,300	1,441,300	1,420,619	(20,681)
Communications Department				
Salaries	302,800	302,800	301,376	(1,424)
Fringes.....	80,200	84,960	84,076	(884)
Supplies.....	321,700	377,633	361,977	(15,656)
Miscellaneous.....	1,900	1,900	1,497	(403)
Total Communications Department	706,600	767,293	748,926	(18,367)

(continued)

HAMILTON COUNTY PARK DISTRICT
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis) by Department - continued
General Fund
For the Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	Variance Between Actual and <u>Revised Budget</u>
Visitor Services Department				
Salaries	\$ 50,000	\$ 50,000	\$	\$ (50,000)
Fringes.....	15,300	15,300		(15,300)
Supplies.....	532,700	840,700	564,951	(275,749)
Miscellaneous.....	1,000	21,000	11,599	(9,401)
Capital Outlay	544,000	1,132,526	993,110	(139,416)
Total Visitor Services Department	<u>1,143,000</u>	<u>2,059,526</u>	<u>1,569,660</u>	<u>(489,866)</u>
Total Expenditures	<u>21,512,300</u>	<u>22,694,652</u>	<u>21,917,545</u>	<u>(777,107)</u>
Excess of Revenues over Expenditures	5,232,600	4,233,548	5,437,548	1,204,000
Other Financing Sources (Uses)				
Transfers Out.....	<u>(5,232,600)</u>	<u>(4,584,131)</u>	<u>(4,126,000)</u>	<u>458,131</u>
Deficiency of revenues and Other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ (350,583)</u>	<u>\$ 1,311,548</u>	<u>\$ 1,662,131</u>
Fund Balance, Beginning of Year			(1,849,177)	
Prior Year Encumbrances			<u>665,606</u>	
Fund Balance, End of Year			<u>\$ 127,977</u>	

(This page intentionally left blank)

SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS ARE USED TO ACCOUNT FOR SPECIFIC GOVERNMENTAL REVENUES (OTHER THAN MAJOR CAPITAL PROJECTS) REQUIRING SEPARATE ACCOUNTING BECAUSE OF LEGAL OR REGULATORY PROVISIONS OR ADMINISTRATIVE ACTION AND EXPENDITURES FOR SPECIFIED PURPOSE.

LAW ENFORCEMENT FUND – To account for money which is contraband or is derived from sale of contraband. Ten percent is to be used for community prevention programs and 90% for discretionary law enforcement projects.

LAW ENFORCEMENT AND EDUCATION FUND – To account for fines related to driving under the influence (DUI) of drugs or alcohol. This fund may be spent on any DUI related enforcement or education programs.

DRUG LAW ENFORCEMENT FUND – To account for drug fines remitted by the Courts. The fund may be used for efforts that pertain to drug offenses.

MITCHELL TRUST FUND (Mitchell Memorial Forest) - To account for initial bequest from William Morris Mitchell, subsequent accumulation of income, expenditures for contiguous land, construction, maintenance and operations of the Mitchell Memorial Forest. The Detailed Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual is located in the Required Supplementary Information Section of this report.

BURCHENAL TRUST FUND - Established as a trust for establishment of trails, garden and appropriate memorial and other capital improvements on Burchenal Tract – Glenwood Gardens, Woodlawn, Ohio.

EVERGREEN FUND - To account for donations identified by the donor to be used for a specific purpose and to account for the following separate funds which are combined for reporting purposes:

- Estate of Betty Martin
- Estate of Virginia Miller
- Mildred Foman Trust
- Newberry Wildlife Sanctuary Fund
- Estate of Margaret Embshoff
- Others

HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP Budgetary Basis)
Non Major Special Revenue Funds
For the Year Ended December 31, 2005

	Law Enforcement Fund			
	Original Budget	Revised Budget	Actual	Variance between Actual and Revised Budget
Revenues				
Donations	\$ 100	\$ 100	\$ 358	\$ 258
Total Revenues	100	100		258
Expenditures				
Miscellaneous	7,670	8,053	-	(8,053)
Total Budgetary Expenses	7,670	(8,053)	-	(8,053)
Excess (Deficiency) of Revenue Over (Under) Budgetary Expenditures	(7,570)	(7,953)	358	8,311
Other Financing Sources				
Transfers In	-	200	173	(27)
Net Change in Fund Balance	<u>\$ (7,570)</u>	<u>\$ (7,753)</u>	531	<u>\$ 8,284</u>
Budgetary Fund Balances, Beginning of Year			<u>7,883</u>	
Budgetary Fund Balances, End of Year			<u><u>\$ 8,414</u></u>	

Law Enforcement and Education Fund				Drug and Law Enforcement Fund			
<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance between Actual and Revised Budget</u>	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance between Actual and Revised Budget</u>
\$ 100	\$ 100	\$ 185	\$ 85	\$ 4,000	\$ 4,000	\$ 7,830	\$ 3,830
100	100	185	85	4,000	4,000	7,830	3,830
2,620	2,770	1,553	(1,217)	5,000	10,139	6,391	(3,748)
2,620	2,770	1,553	(1,217)	5,000	10,139	6,391	(3,748)
(2,520)	(2,670)	(1,368)	1,302	(1,000)	(6,139)	1,439	7,578
100	100	35	(65)	60	162	102	
<u>\$ (2,420)</u>	<u>\$ (2,570)</u>	(1,333)	<u>\$ (1,237)</u>	<u>\$ (1,000)</u>	<u>\$ (6,079)</u>	1,601	<u>\$ 7,680</u>
		<u>2,575</u>			<u>6,209</u>		
		<u>\$ 1,242</u>			<u>\$ 7,810</u>		

(continued)

HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP Budgetary Basis)
Non Major Special Revenue Funds
For the Year Ended December 31, 2005

	Evergreen Fund			Variance between Actual and Revised Budget
	Original Budget	Revised Budget	Actual	
Revenues				
Donations.....	\$ 300,000	\$ 300,000	\$ 291,997	\$ (8,003)
Total Revenue	300,000	300,000	291,997	(8,003)
Expenditures				
Miscellaneous	1,505,000	1,490,492	376,180	(1,114,312)
Total Budgetary Expenses	1,505,000	1,490,492	376,180	(1,114,312)
Excess (Deficiency) of Revenue over (under) Budgetary Expenditures	(1,205,000)	(1,190,492)	(84,183)	1,106,309
Other Financing Sources				
Transfers In	5,000	11,200	24,424	13,224
Net Change in Fund Balance	<u>\$ (1,200,000)</u>	<u>\$ (1,179,292)</u>	(59,759)	<u>\$ 1,119,533</u>
Budgetary Fund Balances, Beginning of Year			<u>938,040</u>	
Budgetary Fund Balances, End of Year			<u>\$ 878,281</u>	

CAPITAL PROJECT FUND

The Capital Project Fund is established to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by the Enterprise Fund).

(This page intentionally left blank)

HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis)
Capital Project Fund
For the Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	Variance Between Actual and <u>Revised Budget</u>
Revenues				
Charges for Service	\$ -	\$ -	\$ -	\$ -
Expenditures				
Capital Outlay.....	5,219,600	5,468,189	4,982,301	485,888
Deficiency of revenues over expenditures	(5,219,600)	(5,468,189)	(4,982,301)	485,888
Other Financing Sources				
Transfers in.....	5,219,600	4,558,131	4,100,000	(458,131)
Deficiency of revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ (910,058)</u>	<u>(882,301)</u>	<u>\$ (27,757)</u>
Budgetary Fund Balance, Beginning of Year			73,979	
Prior Year Encumbrances			836,078	
Budgetary Fund Balance, End of Year			<u>\$ 27,756</u>	

(This page intentionally left blank)

PROPRIETARY FUNDS

(This page intentionally left blank)

ENTERPRISE FUND

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to a private enterprise. The Hamilton County Park District's enterprise fund is comprised of the following departments: Golf Management, Fishing and Boating, Riding Center, Food Service, Golf Merchandise, Athletics and Recreation Management.

HAMILTON COUNTY PARK DISTRICT
Enterprise Fund
Schedule of Revenues and Expenses by Department
For the Year Ended December 31, 2005

	<u>Golf Management</u>	<u>Fishing and Boating</u>	<u>Riding Center</u>	<u>Food Service</u>
Operating Revenues				
Charges for sales and services	\$ 5,977,809	\$ 1,096,541	\$ 309,427	\$ 2,262,985
Operating Expenses				
Cost of sales and services	4,218,181	860,027	239,022	2,367,388
Administration	594,933	146,524	29,479	341,999
Depreciation	742,086	142,254	21,345	181,229
Total Operating Expenses	<u>5,555,200</u>	<u>1,148,805</u>	<u>289,846</u>	<u>2,890,616</u>
Income (Loss) before operating Transfers	<u>\$ 422,609</u>	<u>\$ (52,264)</u>	<u>\$ 19,581</u>	<u>\$ (627,631)</u>

<u>Golf Merchandise</u>	<u>Athletics</u>	<u>Total</u>
\$ 971,268	\$ 270,608	\$ 10,888,638
847,472	227,094	8,759,184
36,906	78,943	1,228,784
19,903	99,007	1,205,824
904,281	405,044	11,193,792
<u>\$ 66,987</u>	<u>\$ (134,436)</u>	<u>\$ (305,154)</u>

(This page intentionally left blank)

Statistical Section

The statistical section provides selected financial, economic and demographic information which may be used to indicate trends for comparative fiscal periods.

(This page intentionally left blank)

Statistical Section

This part of the Hamilton County Park Districts comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Park Districts overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the Park District's financial performance and well-being have changed over time.	84
Debt Capacity	
The Park District has no outstanding long-term debt.	89
Revenue Capacity	
These schedules contain information to help the reader assess the Park District's most significant local revenue source, the property tax.	90
Demographic and Economic Information	
These schedule offer demographic and economic indicators to help the reader understand the environment within which the Park District's financial activities take place	96
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the Park District's financial report relates to the services the Park District provides and the activities it performs.	98
Other Information	
Insurance coverage	102
Park Facilities	104

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

HAMILTON COUNTY PARK DISTRICT
Net Assets by Component
Last Three Years
(Accrual Basis of Accounting)

	2005	December 31 2004	2003
Government Activities			
Invested in Capital Assets with no related debt	\$ 80,595,427	\$ 74,435,225	\$ 67,515,880
Restricted for:			
Capital Projects.....	4,323,146	3,555,780	2,773,624
Special Revenue Funds.....	5,467,403	5,381,242	5,154,243
Unrestricted.....	(1,755,207)	(2,637,037)	1,063,219
Total government activities net assets	<u>88,630,769</u>	<u>80,735,210</u>	<u>76,506,966</u>
Business Type Activities			
Invested in Capital Assets with no related debt	14,483,815	13,655,198	13,793,040
Unrestricted	(3,193,090)	(2,059,319)	(2,077,602)
Total business type activities net assets	<u>11,290,725</u>	<u>11,595,879</u>	<u>11,715,438</u>
Total Government			
Invested in capital assets with no related debt	95,079,242	88,090,423	81,308,920
Restricted for:			
Capital projects	4,323,146	3,555,780	2,773,624
Special Revenue Funds.....	5,467,403	5,381,242	5,154,243
Unrestricted	(4,948,297)	(4,696,356)	(1,014,383)
Total Government net assets	<u>\$ 99,921,494</u>	<u>\$ 92,331,089</u>	<u>\$ 88,222,404</u>

HAMILTON COUNTY PARK DISTRICT
Changes in Net Assets
Last Three Years
(Accrual Basis of Accounting)

	Years Ended December 31		
	2005	2004	2003
Expenses			
Governmental Activities			
Parks and recreation	\$ 18,929,691	\$ 18,168,972	\$ 15,997,254
Business type activities			
Golf Courses	5,555,200	5,142,756	5,181,776
Fishing and boating	1,148,805	1,290,178	1,220,219
Riding Center	289,846	278,547	304,094
Food Service	2,890,616	2,895,790	2,731,702
Golf merchandise	904,281	942,422	961,573
Athletics	405,044	403,602	386,876
Recreation management	—	—	326,421
Total business type activities expense	11,193,792	10,953,295	11,112,661
Total government expenses	30,123,483	29,122,267	27,109,915
Program Revenue			
Government Activities			
Charges for service	2,385,721	1,865,878	1,803,834
Operating grants	53,764	349,920	197,251
Capital grants	5,471,198	1,031,840	612,902
Total government activities program revenue	7,910,683	3,247,638	2,613,987
Business Type Activities			
Charges for service			
Golf courses	5,977,809	5,893,434	5,822,127
Fishing and boating	1,096,541	1,029,574	934,487
Riding center	309,427	268,937	230,615
Food service	2,262,985	2,375,125	2,190,145
Golf merchandise	971,268	1,023,917	1,017,979
Athletics	270,608	242,749	228,899
Total business type activities program revenue	10,888,638	10,833,736	10,424,252
Total government revenue	\$ 18,799,321	\$ 14,081,374	\$ 13,038,239

Continued

HAMILTON COUNTY PARK DISTRICT
Changes in Net Assets
Last Three Years
(Accrual Basis of Accounting)

	Years Ended December 31		
	2005	2004	2003
Net (expense) Revenue			
Government activities	\$ (11,019,008)	\$ (14,921,334)	\$ (13,383,267)
Business Activities.....	(305,154)	(119,559)	(688,409)
Total government net expense	(11,324,162)	(15,040,893)	(14,071,676)
General Revenue and Other Changes in Net Assets			
Government Activities			
Taxes.....	18,347,337	18,322,723	18,149,004
Investment gain (loss).....	363,117	529,830	913,744
Miscellaneous	204,113	297,025	286,170
Total government activities.....	18,914,567	19,149,578	19,348,918
Total government.....	7,590,405	4,108,685	5,277,242
Change in Net Assets			
Government activities	7,895,559	4,228,244	5,965,651
Business type activities.....	(305,154)	(119,559)	(688,409)
Total government.....	<u>\$ 7,590,405</u>	<u>\$ 4,108,685</u>	<u>\$ 5,277,242</u>

HAMILTON COUNTY PARK DISTRICT
Fund Balances Government Funds
Last Three Years
(Modified Accrual Basis of Accounting)

	December 31		
	2005	2004	2003
General Fund			
Reserved	\$ 512,587	\$ 665,606	\$ 862,874
Unreserved.....	(644,599)	(1,940,590)	(866,110)
Total general fund.....	(132,012)	(1,274,984)	(3,236)
All Other Government Funds			
Reserved	609,895	931,312	858,212
Unreserved, reported in.....			
Capital project fund	3,742,179	2,997,494	2,773,624
Special revenue fund.....	5,438,475	5,286,008	6,020,353
Total all other government funds.....	<u>\$ 9,790,549</u>	<u>\$ 9,214,814</u>	<u>\$ 9,652,189</u>

HAMILTON COUNTY PARK DISTRICT
Changes in Fund Balances, Government Funds
Last Three Years
(Modified Accrual Basis of Accounting)

	Years Ended December 31		
	2005	2004	2003
Revenues			
Taxes	\$ 18,347,337	\$ 18,322,723	\$ 18,149,004
Motor vehicle permits	1,232,689	799,977	795,486
Charges for service	5,500,917	4,612,621	4,418,386
Fines and damage.....	14,818	13,963	13,517
Donations and grants.....	2,240,947	1,381,760	810,153
Investment income	363,117	529,830	913,744
Miscellaneous	188,500	297,025	286,170
Total revenue	<u>27,888,325</u>	<u>25,957,899</u>	<u>25,386,460</u>
Expenditures			
General government.....	2,157,443	1,865,654	1,749,042
Public safety	3,945,893	3,261,046	3,676,543
Operation and maintenance	9,091,883	7,689,040	6,827,961
Land management.....	347,957	283,848	285,006
Resource quality.....	181,353	142,863	160,931
Naturalist.....	1,409,221	1,342,090	1,316,173
Communication.....	812,204	751,405	506,695
Visitor service	2,156,782	1,360,280	1,483,482
Facilities	1,720,158	1,478,216	1,539,206
Capital outlay	4,346,724	4,492,580	8,024,277
Total expenditures	<u>26,169,618</u>	<u>27,667,022</u>	<u>25,569,316</u>
Excess (deficiency) of revenue over expenditures	1,718,707	(1,709,123)	(182,856)
Other Financing Sources (Uses)			
Transferred in.....	4,126,000	7,126,296	7,181,157
Transferred out.....	<u>(4,126,000)</u>	<u>(7,126,296)</u>	<u>(7,181,157)</u>
Total other financing sources (uses)	—	—	—
Net change in fund balances	<u>\$ 1,718,707</u>	<u>\$ (1,709,123)</u>	<u>\$ (182,856)</u>

HAMILTON COUNTY PARK DISTRICT
Computation of Legal Debt Margin
December 31, 2004
(Amounts in Thousands)

• Tax valuation of all property subject to ad valorem taxation in the Hamilton County Park District as shown by the tax duplicate for the year 2004, the latest tax duplicate at the date hereof.	\$ 18,677,051
Aggregate permitted principal amount of bonds issued in anticipation of the collection of the voted tax levy of a Park district pursuant to Section 1545.21, O.R. C. (1 percent of tax valuation).	\$ 186,770
• Total remaining principal of all outstanding bonds issued.	None
• Available principal amount of bonds issued.	\$ 186,770

Hamilton County Park District
Property Tax Levies and Collections
Real, Utility and Tangible Personal Property Taxes
Last Eight Ten Years

<u>Tax Year</u> <u>Collection Year</u>	<u>Current Levy</u>	<u>Delinquent Levy</u>	<u>Total Levy</u>
1997/1998	\$ 12,080,607	\$ 822,835	\$ 12,903,442
1998/1999	12,264,057	781,865	13,045,922
1999/2000	12,313,494	753,676	13,067,170
2000/2001	12,465,530	872,394	13,337,924
2001/2002	12,282,902	938,033	13,220,935
2002/2003	17,697,773	1,339,990	19,037,763
2003/2004	17,676,356	1,842,959	19,819,315
2004/2005	17,953,665	1,949,597	19,903,262

Source: Hamilton County Auditor's Office, Budget Commission

<u>Current Collection</u>	<u>Current Levy Collected</u>	<u>Delinquent Collection</u>	<u>Total Collection</u>	<u>Total Collections As a Percent of Current Levy</u>
\$ 11,776,980	97.49	\$ 436,279	\$ 12,213,259	101.10%
11,813,785	96.33	419,050	12,232,835	99.75
11,920,838	96.81	397,909	12,318,747	100.04
12,177,152	97.69	478,634	12,655,786	101.53
11,733,756	95.53	488,739	12,222,495	99.51
17,030,767	96.23	633,792	17,664,559	99.81
17,014,932	94.65	833,956	17,848,888	99.29
17,046,321	94.95	827,263	17,873,584	99.55

COUNTY OF HAMILTON, OHIO
Assessed and Estimated Actual Value
of Taxable Property
Last Ten Years
(Amounts in Thousands)

<u>Tax Year Collection Year</u>	<u>Real Property</u>		<u>Personal Property</u>	
	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>
1995/1996	\$ 11,305,422	\$ 32,301,206	\$ 2,029,232	\$ 8,116,928
1996/1997	11,989,588	34,255,966	2,063,161	8,252,645
1997/1998	12,096,491	34,561,402	2,074,756	8,299,024
1998/1999	12,205,425	34,872,643	2,105,777	8,423,108
1999/2000	14,193,173	40,551,923	2,080,609	8,322,436
2000/2001	14,312,437	40,892,677	2,120,376	8,481,504
2001/2002	14,489,393	41,398,266	2,054,198	8,216,792
2002/2003	16,088,698	45,967,709	1,712,460	7,135,250
2003/2004	16,217,515	46,335,757	1,750,930	7,612,739
2004/2005	16,220,635	46,344,671	1,698,978	7,386,861

Source: Hamilton County Auditor's Office, Budget Commission

Public Utility		Total		Ratio of Assessed to Estimated Actual Value
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	
\$ 1,065,606	\$ 2,131,212	\$ 14,400,260	\$ 42,549,346	33.84%
1,071,857	2,143,714	15,124,606	44,652,325	33.87
1,022,980	2,045,960	15,194,227	44,906,386	33.85
1,040,198	2,080,396	15,351,400	45,376,147	33.83
1,040,460	2,080,934	17,314,242	50,955,293	33.98
977,417	1,954,834	17,410,230	51,329,015	33.92
718,507	1,437,014	17,262,098	51,052,072	33.81
743,825	1,487,650	18,544,983	54,590,609	33.97
755,400	1,510,800	18,723,845	55,459,296	33.76
757,438	1,514,876	18,677,051	55,246,408	33.81

COUNTY OF HAMILTON, OHIO
PROPERTY TAX RATES
ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS
(PER \$1,000 OF ASSESSED VALUATION)

	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
HAMILTON COUNTY										
GENERAL OPERATING	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26
DEBT (Bond retirement)	0.19	0.18	0.18	0.18	0.18	0.17	0.16	0.15	0.15	0.15
DRAKE HOSPITAL	1.76	1.76	1.76	1.76	1.59	1.59	1.59	1.59	1.59	0.84
UNIVERSITY OF CINCINATI HOSPITAL	4.73	4.73	4.73	4.73	4.73	4.73	5.39	5.39	5.39	5.39
COUNTY PARK DISTRICT	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03
COUNTY POLICE INFORMATION CENTER	0.54	0.54	0.54	0.83	0.83	0.83	0.83	0.83	0.54	0.54
CARE AND TRAINING MENTALLY RETARDED	2.73	2.73	2.73	2.73	3.53	3.53	3.53	3.53	3.53	3.62
COMMUNITY MENTAL HEALTH	1.99	1.99	1.99	2.47	2.47	2.47	2.47	2.74	2.74	2.74
SUPPORT OF CHILDREN SERVICES	1.62	2.77	2.77	2.11	2.77	1.87	2.77	2.77	2.72	2.73
RECREATION/ ZOOLOGICAL PURPOSES	0.45	0.45	0.00	0.42	0.42	0.42	0.42	0.42	0.40	0.40
SENIOR SERVICES	1.00	1.00	1.02	1.02	1.02	1.02	1.02	1.16	1.16	1.16
MUSEUM CENTER										<u>0.20</u>
TOTAL	18.30	19.44	19.01	19.54	20.83	19.92	21.47	21.87	21.51	20.03
TOWNSHIPS										
ANDERSON	8.90	8.90	8.90	8.90	9.90	9.90	11.87	11.87	11.87	11.87
ANDERSON TOWNSHIP PARK DISTRICT	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28
COLERAIN	12.34	12.34	12.34	12.34	10.84	15.18	15.18	16.18	16.18	16.18
COLUMBIA	17.96	17.96	17.96	17.96	17.96	17.96	17.96	17.96	21.26	21.26
CROSBY	9.24	9.24	9.24	9.24	9.24	9.24	9.24	9.24	9.24	9.24
DELHI	19.46	19.46	19.46	19.46	19.46	19.46	19.46	19.46	20.48	20.46
DELHI TOWNSHIP PARK DISTRICT	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00
GREEN	8.81	8.81	8.81	8.81	8.81	8.81	8.31	8.31	8.31	8.31
HARRISON	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74
MIAMI	6.85	6.85	6.85	6.45	6.45	7.45	7.45	9.91	9.91	9.45
SPRINGFIELD	15.67	15.67	14.30	14.30	14.30	14.30	20.30	20.30	20.30	20.30
SYCAMORE	7.60	7.60	7.60	7.75	7.75	7.75	7.75	7.75	7.75	7.75
SYMMES	11.00	11.00	11.00	11.90	11.75	11.75	11.75	13.45	13.45	12.80
WHITEWATER	10.84	10.84	10.84	10.84	10.84	10.84	10.84	11.44	11.44	11.44
SCHOOLS										
CINCINNATI	53.52	53.19	53.13	53.13	51.94	56.93	57.15	56.25	60.75	60.83
DEER PARK	62.01	62.01	62.01	62.01	62.01	70.00	70.00	70.00	70.00	70.00
FINNEYTOWN	68.64	72.60	72.39	72.39	72.39	72.39	80.34	80.34	79.98	87.72
FOREST HILLS	49.23	51.37	51.37	51.37	51.16	50.97	50.97	55.87	55.87	55.84
INDIAN HILL	44.58	44.48	44.51	42.92	42.92	47.10	47.10	47.10	46.70	46.54
LOCKLAND	35.89	58.34	59.07	57.96	56.59	55.95	37.69	37.09	52.59	52.69
LOVELAND	55.44	60.14	59.58	64.21	63.79	70.14	70.14	70.14	69.99	74.88
MADEIRA	68.97	72.13	72.13	72.13	71.71	80.22	80.14	79.47	79.47	86.34
MARIEMONT	74.97	74.97	74.97	84.92	82.92	85.15	85.67	85.42	90.85	90.78
MILFORD	57.50	54.52	59.10	59.10	59.10	59.10	63.20	63.20	69.10	69.10
MT. HEALTHY	55.77	55.66	54.99	61.98	61.85	61.66	61.71	61.83	66.51	68.45
NORTH COLLEGE HILL	53.57	53.57	53.57	53.57	57.47	57.47	57.47	57.47	57.47	57.47
NORTHWEST	42.98	42.98	50.18	50.18	50.13	49.80	49.80	49.64	49.84	49.64
NORWOOD	49.92	49.51	48.90	48.82	48.57	62.80	52.95	49.90	50.96	51.08
OAK HILLS	40.20	40.20	46.97	46.97	46.97	46.97	46.97	46.74	46.88	46.68
PRINCETON	42.24	42.24	42.24	42.24	46.19	46.19	46.19	45.79	49.03	49.03
READING	51.28	51.28	57.18	57.18	57.18	57.18	57.18	57.18	57.18	64.08
ST. BERNARD	36.67	36.71	35.72	34.97	34.97	43.25	43.86	43.07	44.24	44.63
SOUTHWEST	45.13	44.77	44.74	48.22	48.22	47.88	47.75	47.44	47.25	47.08
SYCAMORE	54.14	54.14	54.14	61.53	60.84	80.84	60.84	80.49	60.40	65.90
THREE RIVERS	36.96	37.86	37.54	37.48	37.26	39.95	39.95	39.95	39.95	39.95
WINTON WOODS	62.12	62.12	62.13	70.08	70.08	70.08	70.08	70.08	70.08	78.03
WYOMING	64.98	64.98	64.98	73.18	71.03	70.39	70.29	70.08	78.93	78.93
GREAT OAKS JOINT VOCATIONAL	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70

COUNTY OF HAMILTON, OHIO
PROPERTY TAX RATES (continued)
ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS
(PER \$1,000 OF ASSESSED VALUATION)

	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<u>CITIES & VILLAGES</u>										
ADDYSTON	7.59	7.59	7.59	7.59	7.59	5.59	5.59	5.59	5.59	7.59
AMBERLEY	4.00	4.00	4.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00
ARLINGTON HEIGHTS	10.77	10.02	10.82	10.82	10.82	10.82	10.82	9.52	9.52	9.52
BLUE ASH	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
CHEVIOT	13.02	13.00	12.84	12.82	12.66	12.62	12.56	12.42	12.42	12.22
CINCINNATI	11.46	11.46	11.46	11.46	10.90	10.76	10.76	10.63	10.36	10.34
CLEVES	19.36	23.71	23.71	20.71	20.71	17.41	13.66	13.66	13.66	13.66
DEER PARK	6.58	7.20	7.20	4.50	3.55	3.55	3.55	3.55	3.55	3.55
ELMWOOD PLACE	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78	7.78
EVENDALE	3.34	3.34	3.34	3.34	0.00	0.00	0.00	0.00	0.00	0.00
FAIRFAX	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76
FAIRFIELD	4.54	4.54	4.54	4.64	4.64	5.94	5.94	5.94	5.94	5.94
FOREST PARK	8.01	8.01	8.01	8.01	8.01	8.01	12.76	12.76	12.76	12.76
GLENDALE	23.68	23.26	22.34	19.66	21.93	21.66	21.55	22.61	22.23	21.83
GOLF MANOR	19.60	19.60	19.42	19.42	19.42	25.32	24.52	24.52	24.52	24.52
GREENHILLS	21.54	21.91	26.22	26.47	25.99	25.99	25.93	27.98	27.33	28.72
HARRISON	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
INDIAN HILL	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96
LINCOLN HEIGHTS	20.08	20.08	20.08	20.08	20.08	20.06	24.58	26.33	26.33	26.33
LOCKLAND	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02
LOVELAND	10.00	10.00	10.00	10.00	10.00	10.00	12.00	12.00	12.00	11.00
MADEIRA	7.50	9.92	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
MARIEMONT	8.94	8.94	12.44	12.44	12.44	12.44	12.44	12.44	14.37	14.37
MILFORD	13.10	12.60	12.60	12.60	12.60	12.00	12.00	12.00	12.00	12.00
MONTGOMERY	9.15	9.15	9.15	9.15	10.75	10.75	10.05	10.05	10.05	10.05
MT. HEALTHY	7.11	7.11	7.11	7.11	6.61	8.11	8.11	8.11	8.11	11.11
NEWTOWN	8.87	8.87	8.87	8.87	6.87	6.67	6.87	10.37	10.37	7.87
NORTH BEND	17.88	17.88	17.88	14.88	10.38	10.09	10.09	10.09	10.09	10.09
NORTH COLLEGE HILL	6.18	7.98	7.98	7.98	7.98	7.98	7.98	7.98	7.98	7.98
NORWOOD	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40
READING	1.76	1.76	1.76	1.76	1.76	3.52	3.52	3.52	3.52	3.52
ST. BERNARD	2.28	2.28	2.28	2.28	2.28	2.20	2.28	2.28	2.28	4.28
SHARONVILLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SILVERTON	11.15	11.15	11.15	8.15	8.15	8.15	8.15	8.15	8.15	8.15
SPRINGDALE	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
TERRACE PARK	14.86	14.86	14.86	14.86	14.86	14.86	14.86	14.86	14.86	19.84
WOODLAWN	4.08	4.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
WYOMING	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
SPECIAL DISTRICTS:										
Deer Park/Silverton Joint Ambulance	0.00	0.00	0.00	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Eastern Joint Ambulance District	2.20	2.20	2.20	2.20	2.20	2.20	3.00	3.00	0.00	0.00
Western Joint Ambulance District	1.25	1.25	1.25	1.25	1.25	1.25	1.25	2.50	2.50	2.50
Fairfax/Madison Pl. Joint Fire and Rescue	0.00	0.00	0.00	0.00	0.00	0.00	2.50	1.25	1.25	1.25
Hamilton County Park District	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03

Source: Hamilton County Auditor's Office-Budget Commission-Tax Year Data

**COUNTY OF HAMILTON, OHIO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS**

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Annual Average Unemployment Rate
1996	862,440	24,210,542	28,072	4.20
1997	859,490	25,264,828	29,395	3.70
1998	855,976	27,144,490	31,712	3.60
1999	849,917	27,420,292	32,262	3.60
2000	845,303	28,329,667	33,514	3.70
2001	838,663	29,136,541	34,732	4.00
2002	830,036	30,010,701	36,156	5.50
2003	822,318	30,636,366	37,256	5.60
2004	813,639	32,111,846	39,467	5.70
2005	806,652	32,111,846	36,809	5.70

COUNTY OF HAMILTON, OHIO
PRINCIPAL TAXPAYERS
December 31, 2005
 (Amounts in Thousands)

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Cinergy Corporation	Public Utility	\$ 555,407	2.97%
Procter & Gamble Co.	Consumer Goods Manufacturing	160,703	0.86%
Cincinnati Bell Telephone	Public Utility	124,540	0.67%
General Electric	Jet Engine Manufacturing	72,396	0.39%
Duke Realty Ohio	Real Estate Management	67,959	0.36%
City of Cincinnati	City Government	65,904	0.35%
Thor Gally	Real Estate Management	62,916	0.34%
Cognis Corporation	Chemical Manufacturing	45,779	0.25%
Ford Motor Company	Automotive Manufacturing	44,892	0.24%
Lanxess	Chemical Manufacturing	<u>41,072</u>	<u>0.22%</u>
		<u>\$ 1,241,568</u>	<u>6.65%</u>

HAMILTON COUNTY PARK DISTRICT

Operating Indicators by Department For Years Indicated

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Administration					
Full time employees	166	170	176	182	178
Part time employees	89	83	88	92	102
Seasonal employees	1,485	1,161	1,097	1,063	1,028
Employee injuries	65	50	70	56	60
Days missed work time	107	100	300	60	263
Active unemployment claims	44	61	27	10	12
Payroll checks processed	21,383	22,061	21,414	21,500	21,809
Peak season payroll checks	1,111	1,126	1,102	1,092	1,122
Purchase orders issued	5,213	5,116	4,864	4,570	6,015
Vendor invoices processed	28,530	26,711	33,083	33,870	34,303
Vendor checks issued	9,136	8,638	8,810	9,025	8,840

HAMILTON COUNTY PARK DISTRICT

Operating Indicators by Department For Years Indicated

	2001	2002	2003	2004	2005
Safety Department					
Response					
Burglar Alarm	606	565	512	540	686
Fire Alarm	41	34	24	12	23
Animal complaints	275	265	224	202	190
Offenses					
Theft	53	58	70	53	70
Drug	16	21	26	22	39
Property Damage	26	32	37	37	39
Crimes against persons	17	18	11	14	10
Other	117	116	131	78	75
Motor vehicle permits					
Annual	243,106	227,158	228,699	222,028	208,892
Other	100,117	111,291	111,456	113,449	120,873
Naturalist					
Programs presented	2,326	2,318	2,688	2,746	2,749
Program attendance	82,230	83,967	84,820	86,733	89,418
Visitor Center attendance	211,993	207,298	175,165	181,323	169,752
Communication					
Press releases	128	179	150	180	190
Website viewing occasion			434,025	601,972	1,068,666

HAMILTON COUNTY PARK DISTRICT

Operating Indicators by Department For Years Indicated

	1996	1997	1998	1999	2000
In Reach					
Programs	N/A	N/A	N/A	205	231
Participants	N/A	N/A	N/A	8,964	10,093
Golf Management					
Rounds of golf	309,267	357,989	360,254	341,601	369,695
Fishing and Boating					
Pounds of fish stocked	50,000	56,400	41,000	41,500	39,000
Boat rentals	35,042	38,492	54,548	47,796	44,856
Riding Center					
Riding lessons	10,191	9,642	10,009	9,566	9,878
Land Acquisition					
Acres acquired	N/A	265	104	191	27
Others					
Reservations picnic areas	2,101	1,957	2,044	2,507	2,799
Volunteer hours	50,873	50,960	60,489	56,095	56,226
Special events	15	20	22	28	34

N/A Not Available

2001	2002	2003	2004	2005	
					In Reach
184	212	230	262	294	Programs
8,440	10,352	9,504	9,808	11,790	Participants
					Golf Management
375,337	314,032	298,859	293,193	277,661	Rounds of golf
					Fishing and Boating
36,000	36,000	24,000	26,250	23,750	Pounds of fish stocked
45,811	36,291	32,418	31,582	30,566	Boat rentals
					Riding Center
10,509	10,095	8,256	8,892	9,481	Riding lessons
					Land Acquisition
413	307	361	197	512	Acres acquired
					Others
2,793	2,493	2,538	2,434	2,579	Reservations picnic areas
65,246	60,409	70,132	72,737	75,851	Volunteer hours
29	38	31	31	50	Special events

HAMILTON COUNTY PARK DISTRICT
Schedule of Insurance Coverage
December 31, 2005

Coverage	Carrier	Policy Number
General Liability (Including umbrella)	Ohio Plan	OH 1694179-A11
Automobile Liability	Ohio Plan	OH 1694179-A11
Automobile Physical Damage	Ohio Plan QBE	OH 1694179-A11
Employee Dishonesty	Ohio Plan QBE	OH 1694179-A11
Building and Contents	Ohio Plan QBE	OH 1694179-A11
Inland Marine	Ohio Plan QBE	OH 1694179-A11
Law Enforcement Liability	Ohio Plan	OH 1694179-A11
Crime	Ohio Plan QBE	OH 1694179-A11
Public Officials Liability	Ohio Plan	OH 1694179-A11
Boiler	Ohio Plan	OH 1694179-A11
EDP	Ohio Plan QBE	OH 1694179-A11
Terrorism/Bond	Ohio Plan	OH 1694179-A11

<u>Expiration Date</u>	<u>Limits Aggregate</u>	<u>Deductible</u>	<u>Annual Premium</u>
8-31-2006	\$ 7,000,000	\$ -	\$ 110,632
8-31-2006	5,000,000	500	59,567
8-31-2006	5,000,000	1,000	16,984
8-31-2006	25,000	1,000	Included
8-31-2006	43,081,245	10,000	25,352
8-31-2006	3,998,872	5,000	21,486
8-31-2006	7,000,000	10,000	13,499
8-31-2006	25,000	1,000	1,063
8-31-2006	7,000,000	10,000	12,203
8-31-2006	43,081,245	10,000	2,204
8-31-2006	230,000	1,000	2,102
8/31/2006	Per Policy		<u>2,730</u>
		Annual Premium Total	<u>\$ 267,822</u>

HAMILTON COUNTY PARK DISTRICT PARK FACILITIES AND RECREATIONAL ACTIVITIES

Recreational Activities	Fernbank	Embshoff	Farbach-Werner	Glenwood Gardens	Lake Isabella	Little Miami	Miami Whitewater	Mitchell Memorial	Sharon Woods	Shawnee Lookout	Triple Creek	Winton Woods	Withrow	Woodland Mound
Amphitheater-Outdoor	X		X				X					X		X
Athletic fields		X					X		X		X	X		X
Bike Trails/Bike Rentals							X		X			X		
Boating – Canoes												X		
Boating – Hydrobikes							X							
Boating - Lake Cruises									X			X		
Boating - Pedal Boats							X		X			X		
Boating - Row Boats					X		X		X			X		
Campgrounds							X					X		X
Cross Country Skiing		X	X		X	X	X	X	X	X	X	X	X	X
Fishing	X				X	X	X	X	X	X	X	X		
Food-Snack Bars						X	X		X	X	X	X		X
Frisbee Golf Courses		X					X					X		X
Gift/Bookstores			X				X		X			X		X
Golf – Courses						X	X		X	X		X		X
Golf - Driving Ranges						X	X					X		
Golf – Miniature Golf						X								
Hiking Trails		X	X	X			X	X	X	X		X	X	X
Historic Restoration									X	X				
Horseback Riding Trails							X					X		
Ice Skating		X					X	X			X	X		X
Lawn Bowling						X								
Naturalist Offices			X				X		X			X		X
Parcours Fitness Trails		X					X		X		X	X		X
Picnic Areas	X	X			X	X	X	X	X	X		X		X
Playgrounds/Special Features	X	X					X		X			X		X
Reservable Lodges					X				X			X	X	X
Reservable Shelters	X	X					X		X	X		X		X
Scenic Overlooks	X				X		X	X				X		X
Sledding							X		X			X		
Visitor Center							X		X			X		X
Wet Playground							X		X			X		X



Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Park Commissioners
Hamilton County Park District
Cincinnati, Ohio

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Hamilton County Park District as of and for the year ended December 31, 2005, which collectively comprise its basic financial statements and have issued our report thereon dated July 18, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Organization's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and responses as item 05-1.

A material weakness is a reportable 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 caused by error or fraud 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of 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 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 or other matters that are required to be reported under *Government Auditing Standards*.

We also noted certain additional matters that we reported to the Organization's management in a separate letter dated July 18, 2006.

This report is intended solely for the information and use of the governing body and management and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

July 18, 2006

**Hamilton County Park District
Schedule of Findings and Responses
Year Ended December 31, 2005**

Reference Number	Finding
05-1	<p>Criteria or Specific Requirement—Management is responsible for establishing and maintained effective internal control over financial reporting.</p> <p>Condition—There is a lack of centralized responsibility with appropriate review in the area of fixed asset accounting.</p> <p>Context—There is a lack of control over fixed asset accounting due to multiple people having responsibility for capturing different types of assets. This problem is further magnified by the cash-basis bookkeeping of certain fixed asset projects for enterprise fund activities in the capital projects fund and the general fund.</p> <p>Effect—In 2005, there were significant errors in the financial records related to fixed assets resulting in audit adjustments. In most circumstances, expenditures for assets that should have been capitalized were not capitalized.</p> <p>Cause—Three different individuals perform accounting functions for different aspects of fixed assets, with minimal oversight and review.</p> <p>Recommendation—We recommend that one individual be given responsibility for all fixed assets capitalization and reconciliation, with the Chief Financial Officer supervising, reviewing and approving the work performed. Further, we recommend that capital assets for the enterprise fund be recorded within departments for that fund and appropriately capitalized. Finally, we recommend that procedures be developed to ensure that accounts and reports are reviewed in detail to ensure expenditures for fixed assets are appropriately captured and capitalized, as well as an overall review for reasonableness.</p> <p>Views of Responsible Officials and Planned Corrective Actions— Management concurs with the finding and recommendation. Management will evaluate whom should be the appropriate person to take responsibility for all fixed asset accounting and for the review.</p>



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

HAMILTON COUNTY PARK DISTRICT

HAMILTON 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 26, 2006**