Perry & Associates
Certified Public Accountants, A.C.

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
FRANKLIN COUNTY
Regular Audit
For the Years Ended December 31, 2017 and 2016

313 Second St.
Marietta, OH 45750
740.373.0056

1907 Grand Central Ave.
Vienna, WV 26105
304.422.2203

104 South Sugar St.
St. Clairsville, OH 43950
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1310 Market St.,
Suite 300
Wheeling, WV 26003
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Cambridge, OH 43725
740.435.3417

www.perrycpas.com

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

We have reviewed the *Independent Auditors' Report* of the Columbus and Franklin County Metropolitan Park District, Franklin County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2016 through December 31, 2017. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Dave Yost

Dave Yost
Auditor of State

September 13, 2018

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COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT

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PERRY & Associates
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INDEPENDENT AUDITOR'S REPORT

June 8, 2018

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

To the Board of Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Columbus and Franklin County Metropolitan Park District**, Franklin County, Ohio (the District), as of and for the years ended December 31, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

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

Auditor's Responsibility (Continued)

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Columbus and Franklin County Metropolitan Park District, Franklin County, Ohio, as of December 31, 2017 and 2016, and the respective changes in financial position thereof and the respective budgetary comparisons for the General and Golf Course Special Revenue Funds thereof for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2018, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Perry & Associates CPA's A.C.

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

The discussion and analysis of the Columbus and Franklin County Metropolitan Park District's (the "District") financial performance provides an overall review of the District's financial activities for the year ended December 31, 2017. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the financial statements and the Notes to the Basic Financial Statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

The District's total net position increased $4,937,337 during 2017. The increase was mostly a result of additions to capital assets outpacing current year depreciation. Revenues continue to outpace expenses and, as a result, the District has built up cash balances in anticipation of future spending related to ongoing capital projects.

General revenues of governmental activities accounted for $26,952,591 of all governmental revenues. Program specific revenues in the form of charges for services, grants, contributions, and interest accounted for $1,830,670 of total governmental revenues of $28,783,261.

The District had $23,811,692 in expenses related to governmental activities. $1,830,670 of these expenses were offset by program specific charges for services, grants, contributions, and interest. General revenues (primarily property taxes and grants and entitlements not restricted) of $26,952,591 were more than adequate to provide for these programs.

USING THIS ANNUAL FINANCIAL REPORT

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

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

REPORTING THE DISTRICT AS A WHOLE

One of the most important questions asked about the District is "How did we do financially during 2017?" The Statement of Net Position and the Statement of Activities, which appear first in the District's financial statements, report information on the District as a whole and its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

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

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

THE DISTRICT AS A WHOLE

As stated previously, the Statement of Net Position provides the perspective of the District as a whole. Table 1 provides a summary of the District's net position for 2017 compared to 2016.

Table 1
Net Position

	Governmental Activities		
	2017	2016 - Restated	Increase (Decrease)
Assets			
Current and Other Assets	$ 35,219,177	$ 35,200,571	$ 18,606
Land, Wetlands, Land Restoration			
and Construction In Progress	162,474,232	157,350,305	5,123,927
Depreciable Capital Assets, Net	64,239,980	61,601,394	2,638,586
Total Assets	261,933,389	254,152,270	7,781,119
Deferred Outflows of Resources			
Pension	6,698,025	5,292,225	1,405,800
Liabilities			
Current and Other Liabilities	1,211,378	1,064,341	147,037
Long-Term Liabilities			
Due Within One Year	414,487	442,324	(27,837)
Due In More Than One Year:			
Net Pension Liability	17,080,035	13,198,277	3,881,758
Other Amounts	403,881	494,390	(90,509)
Total Liabilities	19,109,781	15,199,332	3,910,449
Deferred Inflows of Resources			
Property Taxes	18,457,699	18,082,835	374,864
Pension	185,054	255,017	(69,963)
Total Deferred Inflows of Resources	18,642,753	18,337,852	304,901
Net Position			
Net Investment in Capital Assets	226,286,456	218,681,354	7,605,102
Restricted For:			
Capital Outlay	373,381	412,705	(39,324)
Educational Programs			
Expendable	108,014	104,556	3,458
Nonexpendable	97,796	97,796	-
Gardens at Inniswood -			
Spendable	72,336	38,104	
Nonexpendable	452,558	452,558	-
Unrestricted	3,488,339	6,120,238	(2,631,899)
Total Net Position	$ 230,878,880	$ 225,907,311	$ 4,937,337

Total assets increased $7,781,119. This increase was due to land purchases and construction in progress relating to the completion of, and continuing construction of, various projects. Land, Wetlands, Land Restoration and Construction in Progress increased $5,123,927 mainly due to the addition of land.

Current and other liabilities increased $147,037 primarily due to an increase in contracts payable related to capital projects.

Net investment in capital assets increased $7,605,102. This is primarily due to current year capital assets additions exceeding current year depreciation.

Unrestricted net position decreased $2,631,899. This is mainly due to an increase in Capital Assets because of land acquisitions and park development that occurred in 2017.

Table 2 shows the changes in net position for the years ended December 31, 2017 and 2016.

Table 2
Changes in Net Positions

	2017	2016	Increase/ (Decrease)
Revenues:			
Program Revenues:			
Charges For Services	$ 1,708,788	$ 1,656,464	$ 52,324
Operating Grants, Contributions, and Interest	121,882	106,514	15,368
Total Program Revenues	1,830,670	1,762,978	67,692
General Revenues:			
Property Taxes	18,097,693	17,601,281	496,412
Unrestricted Investment Earnings	129,423	73,534	55,889
Grants and Entitlements Not Restricted To Specific Programs	8,693,130	5,683,320	3,009,810
Contributions and Donations	16,496	94,639	(78,143)
Gain on Sale of Capital Asset	9,985	19,998	(10,013)
Miscellaneous	5,864	247,731	(241,867)
Total General Revenues	26,952,591	23,720,503	3,232,088
Total Revenues	$28,783,261	$25,483,481	$3,299,780

(Continued)

Table 2
Changes in Net Positions
(Continued)

	2017	2016 Restated	Increase/ (Decrease)
Program Expenses			
Administration	$ 4,084,221	$ 3,693,218	$ 391,003
Education	3,130,312	3,261,095	(130,783)
Park Operations	11,264,063	11,261,863	2,200
Park Planning	183,681	160,617	23,064
Park Promotion	703,178	752,047	(48,869)
Rental Property	306,120	194,364	111,756
Natural Resource Management	679,030	636,423	42,607
Golf Course	566,420	464,122	102,298
Park Safety	2,894,667	2,483,907	410,760
Total Expenses	23,811,692	22,907,656	904,036
Change in Net Position	4,971,569	2,575,825	$ 2,395,744
Net Position At Beginning Of Year (Restated)	225,907,311	223,331,486	
Net Position At End of Year	$ 230,878,880	$ 225,907,311	

GOVERNMENTAL ACTIVITIES

Program revenues, which are primarily represented by charges for District services, fines, and charges generated by the golf course, as well as restricted intergovernmental revenues, restricted interest earnings, and restricted donations, were $1,830,670 of total revenues for 2017 and were slightly higher than 2016.

As previously mentioned, general revenues were $26,952,591 of total revenues for 2017. This is a $3,232,088 increase from the prior year. Most of the increase is in operating grants and entitlements not restricted to specific programs. This increase was a result of the District receiving payments according to contractual agreements from local cities and townships to help with the acquisition of land for parks in 2017.

Governmental program expenses as a percentage of total governmental expenses for 2017 are expressed as follows:

Administration	17.15 %
Education	13.15
Park Operations	47.30
Park Planning	0.77
Park Promotion	2.95
Rental Property	1.29
Natural Resource Management	2.85
Golf Course	2.38
Park Safety	12.16
	100.00 %

The above chart clearly indicates that the District's major source of expenses, 47.30 percent, is related to park operations. All other forms of governmental operations represent 52.70 percent of expenses.

THE DISTRICT'S FUNDS

Information about the District's major governmental funds begins on page 14. All governmental funds had total revenues of $28,776,803 and expenditures of $29,324,208. The General Fund balance increased $787,616 during 2017.

The Golf Course Special Revenue Fund balance increased $43,496.

The Capital Improvement Capital Projects Fund balance decreased $1,343,487 as a result of the District spending resources associated with the acquisition of land along with the starting and/or completion of several capital improvement projects, including infrastructure, during 2017.

GENERAL FUND BUDGETING HIGHLIGHTS

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

Original and final General Fund budgeted revenues were $22,473,195. Actual revenues were more than final budgeted revenues by $833,377, which is mostly due to actual intergovernmental revenues being more than the budgeted amounts.

During 2017, the General Fund operated on one appropriation measure. Actual expenditures were less than the final budgeted expenditures by $1,853,803 due to the District reducing actual expenditures in several areas. This was a result of the District carefully monitoring its spending.

The General Fund's ending fund balance was $5,000,108 above the final budgeted amount. This was mainly due to actual expenditures and transfers out being less than budgeted expenditures and transfers out.

DEBT

In 2017, the District had no outstanding debt obligations.

CAPITAL ASSETS

At the end of 2017, the District had $226,286,456 invested in capital assets (net of accumulated depreciation) for governmental activities, an increase of $7,605,102 from the prior year. The increase in capital assets is primarily related to the continuing development of infrastructure additions and improvements, including roads and trails.

See Note 7 of the Notes to the Basic Financial Statements for more detailed capital assets information.

CURRENT ISSUES

The mission of Metro Parks is to conserve open spaces, while providing places and opportunities that encourage people to discover and experience nature. While following that mission, 2017 was a year to remember. The tremendous growth and enduring popularity of Metro Parks is due to the strong support of the community – as voters, as volunteers and as visitors. Metro Parks' primary funding source is the 10-year, 0.75 mill levy approved by Franklin County voters in 2009. The levy provides a sound financial base for operating and improving existing parks, as well as acquiring additional land for future preservation. Below you will find just a snapshot of some of the fine and wonderful accomplishments of 2017.

Showcase 18 – Beginning in the winter of 2017 all 19 of our parks undertook a process which not only involved peer audits, but they also developed detailed plans to take on any/all outstanding maintenance or possible customer service initiatives. To date, over 300 individual projects have been completed with the goal of having all identified projects completed before the end of 2018.

Natural Play Area at Blendon Woods – Working with the Friends of Metro Parks and a private donor, staff was able to complete a transformation of the existing Natural Play Area into a space never seen before in Metro Parks. In this space, children, as well as adults, are immersed in a world of natural play and exploration. Crossing creeks, building forts, and zipping through the tree canopy are just a few of what awaits our visitors. Since its opening in the Spring of 2017, rarely can you find an open parking space in this part of Blendon Woods.

Smith Property – In what could be considered the longest land acquisition project in the District's seventy plus year history, we were able to close on a 50-acre tract of land adjacent to the Shaffer Property and along the banks of the Big Walnut Creek. This deep valley with a significant tributary feeding Big Walnut Creek has been a desired acquisition for the District since the early 1950's.

Friends of Metro Parks – 2017 was a milestone year for the Friends and their continued efforts in supporting the mission and programs of Metro Parks. Membership in this organization has crossed over the 1,000 mark and growth continues climbing monthly. The Friends also established an endowment fund with the Columbus Foundation to build a sustainable base of funding to further the mission of Metro Parks.

The Plan Updates – While all of our parks and sections are taking the information and data provided by the Plan, several of these initiatives are already making differences in the parks. Utilizing this feedback, staff has created new structures and programs to directly respond. New restroom facilities at select parks, archery range and pedestrian crossing at Scioto Grove, better canoe access, and the opening of the River Bluff area are just a few of the capital initiatives guided by recommendations in the Plan.

Education – Environmental education still remains as one of the pillars of everything we do here in Metro Parks and 2017 has the numbers to prove it. We made considerable effort this year to provide more spontaneous programming opportunities throughout the District. Along with our naturalist led programs, we continue to see growth in our collaborative 5th grade educational outreach program. The Students Exploring Ecosystem Dynamics (SEED) is still growing throughout many of the Franklin County School Districts. In 2017, 8,500 5th graders from six school districts not only visited our parks but took place in a year-round curriculum-based program of study.

Special Events – From huge events such as Wagfest and Red White and Boom to the smaller events like campouts and tailgate parties, our efforts into bringing people into the parks is nothing short of amazing. While we have consistent crowds exceeding 15,000 at both Wagfest and Red White and Boom, one of our newer events, Outdoor Adventure, is starting to grow to a comparable size. Without using our partners and supporters, events like these would not be possible.

THE YEAR AHEAD – 2018

In keeping with our vision of clean and safe parks, our efforts will continue towards the overall customer satisfaction and experience. Within these parks the operational side of our budget will focus on park maintenance, patron safety, education, and the control of invasive species. Outside of operations we will continue looking at ways we can control costs while providing the proper level of support to the 19 parks. Listed below are just a few of the projects we are looking at in 2018.

Continuing in the 2018 fiscal year, all parks are going continue working on what staff has dubbed "Showcase 18." This program is an effort for us to take a critical look at all of our facilities and infrastructure and address any cosmetic or structural issues. Utilizing the 2016 strategic plan and a newly implemented peer review system, each park will have their version of a clean-up. Items to be covered in Showcase 18 will include but not be limited to: painting, restroom renovation, asphalt sealing and repairs, trail grooming and resurfacing, park entrances, updating of picnic areas, and the overall updating of our user amenities. The goal of this program is to have each and every area of the Park District touched over the next two years. In addition to the "peer review" system, the newly created Customer Service Manager will also be taking data and comments from our customers and incorporating them into these initiatives.

A wide variety of capital projects are being contemplated for this 2018. Priority will be given to those projects which either meet our mission and/or vision. A more complete list can be found in the Capital Projects section of the budget. Examples of these capital projects include:

Scioto River Quarry Project – With the first of two land acquisitions scheduled to be complete by the end of 2018. We are concurrently developing plans for the second acquisition and the development of a public access point and scenic overlook at the waterfall.

Burning Lake – The second phase of this multi-year project is scheduled for 2018. This phase will focus on user amenities such as trails, restrooms, boardwalks, shelter, and play features. Staff is currently working with the Knowlton School of Architecture on the creation of one of a kind features to encourage more outdoor play.

Camp Chase Trail Improvements – While 2017 was a year to celebrate the completion of the Ohio to Erie Trail through Central Ohio, in 2018 we will focus on a project to better connect a route through Battelle Darby Creek. A key funding grant of $615,000 was awarded for this project through the Clean Ohio Trail Fund.

Battelle Darby Creek Bison Prairie/Wetland Observation Tower – To give the thousands of visitors to this area of the park, better views and accessibility to the bison and wetland area, we are planning to construct an observation tower. This tower will not only improve on the visibility of the bison herd, but also give visitors views of the Darby Creek corridor and a very unique vista of Western Franklin County.

In conclusion, 2018 will further complete our ongoing promises to the residents of Franklin County on the commitments we made in the 2009 levy and the commitment we make each and every day to provide the best park system for all to enjoy.

CONTACTING THE DISTRICT'S FINANCE DEPARTMENT

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

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Statement of Net Position
December 31, 2017

		Governmental Activities
ASSETS:		
Equity in Pooled Cash and Cash Equivalents	$	13,000,245
Cash and Cash Equivalents with Fiscal Agents		529,895
Property Tax Receivable		19,440,638
Accounts Receivable		3,109
Due from Other Governments		2,143,994
Prepaid Items		101,296
Land, Wetlands, Land Restoration and Construction in Progress		162,474,232
Depreciable Capital Assets, Net		64,239,980
Total Assets		261,933,389
DEFERRED OUTFLOWS OF RESOURCES:		
Pension		6,698,025
LIABILITIES:		
Accounts Payable		64,143
Accrued Wages Payable		518,407
Contracts Payable		423,126
Matured Compensated Absences Payable		6,797
Retainage Payable		4,630
Due to Other Governments		194,275
Long-Term Liabilities:		
Due Within One Year		414,487
Due in More Than One Year:		
Net Pension Liability		17,080,035
Other Amounts Due in More Than One Year		403,881
Total Liabilities		19,109,781
DEFERRED INFLOWS OF RESOURCES:		
Property Taxes		18,457,699
Pension		185,054
Total Deferred Inflows of Resources		18,642,753
NET POSITION:		
Net Investment in Capital Assets		226,286,456
Restricted for:		
Capital Outlay		373,381
Educational Programs		
Expendable		180,350
Nonexpendable		97,796
Gardens at Inniswood - Nonexpendable		452,558
Unrestricted		3,488,339
Total Net Position	$	230,878,880

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Statement of Activities
For the Year Ended December 31, 2017

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	**Charges for Services**	**Operating Grants, Contributions, and Interest**	**Governmental Activities**
Governmental Activities:				
Administration:				
Salaries and Benefits	$ 3,015,739	$ -	$ -	$ (3,015,739)
All Other	1,068,482	-	53,992	(1,014,490)
Education	3,130,312	209,670	4,958	(2,915,684)
Park Operations	11,264,063	80	62,932	(11,201,051)
Park Planning	183,681	-	-	(183,681)
Park Promotion	703,178	-	-	(703,178)
Rental Property	306,120	514,307	-	208,187
Natural Resource Management	679,030	-	-	(679,030)
Golf Course	566,420	975,509	-	409,089
Park Safety	2,894,667	9,222	-	(2,885,445)
Total Governmental Activities	$ 23,811,692	$ 1,708,788	$ 121,882	(21,981,022)

General Revenues:	
Taxes:	
Property Taxes	18,097,693
Grants and Entitlements not Restricted to Specific Programs	8,693,130
Gifts and Donations	16,496
Investment Earnings	129,423
Gain on Sale of Capital Assets	9,985
Miscellaneous	5,864
Total General Revenues	26,952,591
Change in Net Position	4,971,569
Net Position Beginning of Year	225,907,311
Net Position End of Year	$ 230,878,880

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Balance Sheet
Governmental Funds
December 31, 2017

	General	Golf Course	Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS:					
Equity in Pooled Cash and Cash Equivalents	$ 7,882,230	$ 101,374	$ 4,437,450	$ 579,191	$ 13,000,245
Cash and Cash Equivalents with Fiscal Agents	5,001	-	-	524,894	529,895
Receivables:					
Property Taxes	19,440,638	-	-	-	19,440,638
Accounts	3,109	-	-	-	3,109
Due from Other Governments	2,143,994	-	-	-	2,143,994
Prepaid Items	101,110	186	-	-	101,296
Advances to Other Funds	13,200	-	-	-	13,200
Total Assets	$ 29,589,282	$ 101,560	$ 4,437,450	$ 1,104,085	$ 35,232,377
LIABILITIES:					
Accounts Payable	$ 60,274	$ 3,221	$ 648	$ -	$ 64,143
Accrued Wages Payable	492,489	25,918	-	-	518,407
Contracts Payable	-	-	423,126	-	423,126
Due to Other Governments	185,302	8,973	-	-	194,275
Matured Compensated Absences Payable	6,797	-	-	-	6,797
Retainage Payable	-	-	4,630	-	4,630
Advances from Other Funds	-	13,200	-	-	13,200
Total Liabilities	744,862	51,312	428,404	-	1,224,578
DEFERRED INFLOWS OF RESOURCES:					
Property Taxes	18,457,699	-	-	-	18,457,699
Unavailable Revenue	2,934,306	-	-	-	2,934,306
Total Deferred Inflows of Resources	21,392,005	-	-	-	21,392,005
FUND BALANCES:					
Nonspendable	114,310	186	-	550,354	664,850
Restricted	-	-	-	553,731	553,731
Committed	-	50,062	4,009,046	-	4,059,108
Assigned	212,928	-	-	-	212,928
Unassigned	7,125,177	-	-	-	7,125,177
Total Fund Balances	7,452,415	50,248	4,009,046	1,104,085	12,615,794
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 29,589,282	$ 101,560	$ 4,437,450	$ 1,104,085	$ 35,232,377

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2017

Total Governmental Fund Balances		$ 12,615,794
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital Assests used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Land	$ 143,512,143	
Wetlands	3,981,412	
Land Restoration	13,694,503	
Construction In Progress	1,286,174	
Other Capital Assets	112,903,530	
Accumulated Depreciation	(48,663,550)	
Total		226,714,212
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:		
Delinquent Property Taxes	960,485	
Due From Other Governments	1,973,821	
Total		2,934,306
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	6,698,025	
Deferred Inflows - Pension	(185,054)	
Net Pension Liability	(17,080,035)	
Total		(10,567,064)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Compensated Absences		(818,368)
Net Position of Governmental Activities		$ 230,878,880

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017

	General	Golf Course	Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:					
Property Taxes	$ 18,112,724	$ -	$ -	$ -	$ 18,112,724
Intergovernmental	4,319,119	-	4,348,266	-	8,667,385
Charges for Services	209,670	700,000	80	-	909,750
Licenses and Permits	8,500	-	-	-	8,500
Fines and Forfeitures	722	-	-	-	722
Investment Earnings	87,896	-	7,295	36,095	131,286
Rent	514,307	274,720	-	-	789,027
Contributions and Donations	16,496	-	62,932	35,297	114,725
Refunds	21,790	-	-	-	21,790
Miscellaneous	9,747	789	10,358	-	20,894
Total Revenues	23,300,971	975,509	4,428,931	71,392	28,776,803
EXPENDITURES:					
Current Operations and Maintenance:					
Administration					
Salaries and Benefits	1,807,590	812,826	-	-	2,620,416
All Other	974,058	2,918	-	-	976,976
Education	2,125,219	-	-	-	2,125,219
Park Operations	8,731,792	37,435	648	-	8,769,875
Park Planning	183,681	-	-	-	183,681
Park Promotion	703,178	-	-	-	703,178
Rental Property	223,646	-	-	-	223,646
Natural Resource Management	595,900	-	-	-	595,900
Golf Course	44,429	236,585	-	-	281,014
Park Safety	2,316,650	-	-	-	2,316,650
Capital Outlay	684,357	-	9,843,296	-	10,527,653
Total Expenditures	18,390,500	1,089,764	9,843,944	-	29,324,208
Excess of Revenues Over (Under) Expenditures	4,910,471	(114,255)	(5,415,013)	71,392	(547,405)
OTHER FINANCING SOURCES AND USES:					
Transfers In	1,500	155,000	4,071,526	-	4,228,026
Proceeds from Sale of Capital Assets	44,886	2,751	-	-	47,637
Transfers Out	(4,155,000)	-	-	(73,026)	(4,228,026)
Refund of Prior Year Receipts	(14,241)	-	-	-	(14,241)
Total Other Financing Sources and Uses	(4,122,855)	157,751	4,071,526	(73,026)	33,396
Net Change in Fund Balance	787,616	43,496	(1,343,487)	(1,634)	(514,009)
Fund Balance at Beginning of Year	6,664,799	6,752	5,352,533	1,105,719	13,129,803
Fund Balance at End of Year	$ 7,452,415	$ 50,248	$ 4,009,046	$ 1,104,085	$ 12,615,794

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2017

Net Change in Fund Balances - Total Governmental Funds		$ (514,009)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital Assets Additions	$ 7,744,598	
Construction in Progress additions	3,924,453	
Depreciation	(3,812,447)	
Excess of Capital Asset Additions Over Depreciation Expense		7,856,604
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each sale.		
Proceeds From Sale of Capital Assets	(37,652)	
Gain on Disposal of Capital Assets	9,985	
Total		(27,667)
Some revenues that will not be collected for several months after the District's year end are not considered "available" revenues and are deferred in the governmental funds.		
Delinquent Property Taxes	18,601	
Intergovernmental	(29,315)	
Total		(10,714)
Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.		1,302,661
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the Statement of Activities.		(3,708,652)
Some items reported as expenses in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:		
Decrease in Compensated Absences		73,346
Change in Net Position of Governmental Activities		$ 4,971,569

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Property Taxes	$ 18,082,835	$ 18,082,835	$ 18,112,724	$ 29,889
Intergovernmental	3,505,060	3,505,060	4,324,720	819,660
Charges for Services	173,094	173,094	209,670	36,576
Licenses and Permits	10,329	10,329	8,500	(1,829)
Fines and Forfeitures	1,033	1,033	722	(311)
Investment Earnings	50,094	50,094	87,896	37,802
Rent	627,342	627,342	514,307	(113,035)
Contributions and Donations	16,784	16,784	16,496	(288)
Refunds	4,300	4,300	21,790	17,490
Miscellaneous	2,324	2,324	9,747	7,423
Total Revenues	22,473,195	22,473,195	23,306,572	833,377
EXPENDITURES:				
Current Operations and Maintenance:				
Administration				
Salaries and Benefits	1,852,419	1,852,419	1,870,203	(17,784)
All Other	1,241,367	1,241,367	1,030,054	211,313
Education	2,469,343	2,469,343	2,175,494	293,849
Park Operations	9,249,561	9,249,561	8,769,709	479,852
Park Planning	181,533	181,533	183,681	(2,148)
Park Promotion	857,926	857,926	706,328	151,598
Rental Property	223,190	223,190	223,646	(456)
Natural Resource Management	643,304	643,304	606,484	36,820
Golf Course	58,790	58,790	44,729	14,061
Park Safety	2,982,180	2,982,180	2,314,520	667,660
Capital Outlay	735,083	735,083	716,045	19,038
Total Expenditures	20,494,696	20,494,696	18,640,893	1,853,803
Excess of Revenues Over (Under) Expenditures	1,978,499	1,978,499	4,665,679	2,687,180
OTHER FINANCING SOURCES (USES):				
Proceeds from Sale of Capital Assets	22,465	22,465	44,886	22,421
Refund of Prior Year Expenditures	1,252	1,252	-	(1,252)
Refund of Prior Year Receipts	(13,000)	(13,000)	(14,241)	(1,241)
Advances In	-	-	6,600	6,600
Transfers In	-	1,500	1,500	-
Transfers Out	(6,441,400)	(6,441,400)	(4,155,000)	2,286,400
Total Other Financing Sources and Uses	(6,430,683)	(6,429,183)	(4,116,255)	2,312,928
Net Change in Fund Balance	(4,452,184)	(4,450,684)	549,424	5,000,108
Fund Balance (Deficit) at Beginning of Year	6,861,424	6,861,424	6,861,424	-
Prior Year Encumbrances Appropriated	239,996	239,996	239,996	-
Fund Balance (Deficit) at End of Year	$ 2,649,236	$ 2,650,736	$ 7,650,844	$ 5,000,108

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Golf Course Special Revenue Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Charges for Services	$ 682,300	$ 682,300	$ 700,000	$ 17,700
Rent	267,000	267,000	274,720	7,720
Other	700	700	789	89
Total Revenues	950,000	950,000	975,509	25,509
EXPENDITURES:				
Current Operations and Maintenance:				
Administration				
Salaries and Benefits	793,100	793,100	812,826	(19,726)
All Other	4,205	4,205	2,918	1,287
Park Operations	26,000	26,000	37,620	(11,620)
Golf Course	266,490	266,490	251,107	15,383
Capital Outlay	42,000	42,000	-	42,000
Total Expenditures	1,131,795	1,131,795	1,104,471	27,324
Excess of Revenues Over (Under) Expenditures	(181,795)	(181,795)	(128,962)	52,833
OTHER FINANCING SOURCES (USES):				
Transfers In	155,000	155,000	155,000	-
Proceeds from Sale of Capital Assets	-	-	2,751	2,751
Advances Out	-	-	(6,600)	(6,600)
Total Other Financing Sources and Uses	155,000	155,000	151,151	(3,849)
Net Change in Fund Balance	(26,795)	(26,795)	22,189	48,984
Fund Balance (Deficit) at Beginning of Year	67,236	67,236	67,236	-
Prior Year Encumbrances Appropriated	6,694	6,694	6,694	-
Fund Balance (Deficit) at End of Year	$ 47,135	$ 47,135	$ 96,119	$ 48,984

See Accompanying Notes to the Basic Financial Statements

Note 1 - Description of the District and Reporting Entity

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

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

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

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

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District, in that the District approves the organization's budget, the issuance of its debt, or the levying of its taxes. The District has no component units.

Note 2 - Summary of Significant Accounting Policies

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

Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include all financial activities of the District. The statements usually distinguish between those activities of the District that are governmental in nature and those that are considered business-type activities. The District, however, has no activities that are classified as business-type.

Note 2 - Summary of Significant Accounting Policies (Continued)

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements

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

Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. All funds of the District are governmental funds.

Governmental funds are those through which most governmental functions are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities and deferred inflows of resources is reported as fund balance. The following are the District's major governmental funds:

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

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

Note 2 - Summary of Significant Accounting Policies (Continued)

Measurement Focus

Government-Wide Financial Statements

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

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Basis of Accounting

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

Revenues – Exchange and Non-Exchange Transactions

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

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

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

Note 2 - Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources include pension reported in the government-wide statement of net position. The deferred outflows of resources related to pension are explained in Note 9.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, pension and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2017, but which were levied to finance 2018 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 9)

Pensions

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

Expenses/Expenditures

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

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

Cash and Cash Equivalents

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

During 2017, the District's investments were limited to US Treasury Notes, Municipal Bonds, Negotiable Certificates of Deposit and PNC Government Mortgage Fund-Class I Mutual Fund. Investments are reported at fair value.

Note 2 - Summary of Significant Accounting Policies (Continued)

Interest income is distributed to the funds according to Ohio constitutional and statutory requirements. Interest revenue credited to the General Fund during 2017 amounted to $87,896.

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2017 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which the services are consumed.

Capital Assets

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

Capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values on the date donated. The District maintains a capitalization threshold of $1,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

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

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

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

Note 2 - Summary of Significant Accounting Policies (Continued)

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

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

Interfund Balances

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

Compensated Absences

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

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

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

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

Accrued Liabilities and Long-Term Obligations

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

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

Note 2 - Summary of Significant Accounting Policies (Continued)

Fund Balance

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

> Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. Nonspendable fund balances for the District includes prepaids and donor restricted endowments.
>
> Restricted - Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.
>
> Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District. Those committed amounts cannot be used for any other purpose unless the District's Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
>
> Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board of Directors, delegated that authority ordinance or by State statute. State statute authorizes the finance director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.
>
> Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

Internal Activity

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

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

Note 2 - Summary of Significant Accounting Policies

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

Estimates

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

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. The unrelated portion of these liabilities is included in the calculation of unrestricted net position.

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

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

Budgetary Process

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

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

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year, including all supplemental appropriations.

Note 3 - Budgetary Basis of Accounting

While reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) is presented for the General Fund and the Golf Course Special Revenue Fund on the budgetary basis to provide a meaningful comparison of actual results with the budget.

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

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

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

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

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

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

Net Change in Fund Balance

	General Fund	Golf Course Fund
GAAP Basis	$ 787,616	$ 43,496
Increases (Decreases) Due To:		
Revenue Accruals	5,601	-
Expenditure Accruals	(10,396)	(9,518)
Encumbrances	(239,997)	(5,189)
Advances	6,600	(6,600)
Budget Basis	$ 549,424	$ 22,189

Note 4 - Deposits and Investments

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

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

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

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

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

1. United States Treasury notes, bills, bonds, notes, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

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

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

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

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

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

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

Note 4 - Deposits and Investments (Continued)

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

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

Deposits: Custodial credit risk for deposits is the risk that in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, $250,000 of the District's $10,062,485 bank balance was FDIC insured and not exposed to custodial credit risk. The remaining $9,812,485 was not insured but collateralized with securities held by the pledging financial institution. This $9,812,485 is exposed to custodial credit risk because the collateralized securities are not held by a third-party administrator.

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

Investments: As of December 31, 2017, the District had the following investments. All investments, except the PNC Government Mortgage Fund-Class I, are in an internal investment pool.

Investment Maturities (in Years)			
	Fair Value	Less than 1	More than 1
US Treasury Notes	$ 498,008	$ 49,606	$ 448,403
Municipal Bonds	258,870	50,000	208,870
Negotiable Certificates of Deposit	2,052,108	2,052,108	-
PNC Government Mortgage Fund - Class I Mutual Fund	524,894	-	524,894
Totals	$ 3,333,880	$ 2,151,714	$ 1,182,167

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

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

Note 4 - Deposits and Investments (Continued)

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above tables identify the District's recurring fair value measurement as of December 31, 2017. All investments of the District are valued using quoted market prices (Level 1 inputs).

Note 5 - Property Taxes

Property taxes include amounts levied against all real and public utility property located in the District. Property tax revenue received during 2017 for real and public utility property taxes represents collections of 2016 taxes.

2017 real property taxes were levied after October 1, 2017, on the assessed value as of January 1, 2017, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2017 real property taxes are collected in and intended to finance 2018.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2017 public utility property taxes which became a lien December 31, 2016, are levied after October 1, 2017, and are collected in 2017 with real property taxes.

The full tax rate for all District operations for the year ended December 31, 2017, was $0.75 per $1,000 of assessed value. The assessed values of real and tangible personal property upon which 2017 property tax receipts were based are as follows:

Category		Assessed Value
Real Property:		
Agricultural/Residential	$	20,424,399,950
Commercial/Industrial/Mineral		8,685,919,820
Public Utility Real		12,662,370
Tangible Personal Property		
Public Utility Personal		1,032,174,570
Total	$	30,155,156,710

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the District. The County Auditor periodically remits to the District its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2017, and for which there was an enforceable legal claim. In the governmental funds, the portion of the receivable not levied to finance 2017 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

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

Note 6 - Receivables

Receivables at December 31, 2017, consisted of Property Taxes and Due From Other Governments. All receivables are considered fully collectible and will be collected within one year, with the exception of Property Taxes. Property Taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year.

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

	Amount
Governmental Activities	
Local Government	$ 1,153,112
Homestead And Rollback	990,882
Total Due From Other Governments	$ 2,143,994

Note 7 - Capital Assets

Capital assets activity for the year ended December 31, 2017, was as follows:

Governmental Activities	Restated Balance At 12/31/2016	Additions	Deletions	Balance At 12/31/2017
Capital Assets, Not Being Depreciated				
Land	137,162,143	$ 6,350,000	$ -	$ 143,512,143
Wetlands	3,981,412	-	-	3,981,412
Land Restoration	13,116,641	577,862	-	13,694,503
Construction In Progress	3,090,109	4,376,389	(6,180,324)	1,286,174
Total Capital Assets, Not Being Depreciated	157,350,305	11,304,251	(6,180,324)	162,474,232
Depreciable Capital Assets:				
Land Improvements	14,978,742	281,196	-	15,259,938
Buildings	31,222,070	2,872,571	(174,954)	33,919,687
Equipment	4,746,202	262,381	(118,944)	4,889,639
Furnishings	239,436	15,172	(7,112)	247,496
Radios	507,236	4,044	-	511,280
Vehicles	2,167,197	264,679	(97,084)	2,334,792
Computer Equipment	195,577	76,843	-	272,420
Infrastructure	52,688,754	2,779,524	-	55,468,278
Total Depreciable Capital Assets	$ 106,745,214	$ 6,556,410	$ (398,094)	$ 112,903,530
Less Accumulated Depreciation:				
Land Improvements	(8,313,510)	(1,238,561)	-	(9,552,071)
Buildings	(12,695,534)	(814,628)	69,577	(13,440,585)
Equipment	(4,034,830)	(219,237)	118,944	(4,135,123)
Furnishings	(180,534)	(26,908)	7,112	(200,330)
Radios	(418,093)	(33,462)	-	(451,555)
Vehicles	(1,744,790)	(208,655)	97,084	(1,856,361)
Computer Equipment	(154,283)	(30,167)	-	(184,450)
Infrastructure	(17,602,246)	(1,240,829)	-	(18,843,075)
Total Accumulated Depreciation	(45,143,820)	(3,812,447)	292,717	(48,663,550)
Depreciable Capital Assets, Net	61,601,394	2,743,963	(105,377)	64,239,980
Governmental Activities Capital Assets, Net	$ 218,951,699	$ 14,048,214	$ (6,285,701)	$ 226,714,212

Depreciation expense was charged to governmental programs as follows:

Administration	$ 85,453
Education	690,771
Park Operations	2,633,198
Rental Property	20,802
Renovation	2,647
Special Facilities	1,930
Revenue Operations	168,488
Natural Resource Management	7,458
Park Safety	201,700
Total Depreciation by Function	$ 3,812,447

Note 8 - Risk Management

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

The Government insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

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

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2016, PEP retained $350,000 for casualty claims and $100,000 for property claims.

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

Financial Position

PEP's financial statements (audited by other auditor's) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2016 (latest information available).

	2016
Assets	$42,182,281
Liabilities	(13,396,700)
Net Position	$28,785,581

At December 31, 2016, the liabilities above include approximately $12.0 million of estimated incurred claims payable. The assets above also include approximately $11.5 million of unpaid claims to be billed. The Pool's membership increased to 520 members in 2016. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2016, the Government's share of these unpaid claims collectible in future years is approximately $89,000.

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

2017 Contributions to PEP
$ 137,273

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

Note 9 - Defined Benefit Pension Plan

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

Note 9 - Defined Benefit Pension Plan (Continued)

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

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

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

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

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

Note 9 - Defined Benefit Pension Plan (Continued)

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

	State and Local	Law Enforcement
2017 Statutory Maximum Contribution Rates		
Employer	14.0 %	18.1 %
Employee	10.0 %	*
2017 Actual Contribution Rates		
Employer:		
Pension	13.0 %	17.1 %
Post-employment Health Care Benefits	1.0 %	1.0 %
Total Employer	14.0 %	18.1 %
Employee	10.0 %	13.0 %

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The District's contractually required contribution was $1,302,661 for 2017. Of this amount, $72,577 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS
Proportionate Share of the Net Pension Liability	$17,080,035
Proportion of the Net Pension Liability	0.075215%
Change in Proportionate Share Percentage	-0.000982%
Pension Expense	$3,708,652

Note 9 - Defined Benefit Pension Plan (Continued)

At December 31, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS
Deferred Outflows of Resources	
Net difference between projected and actual earnings on pension plan investments	$ 2,543,613
Differences between expected and actual experience	23,151
Changes in Assumptions	2,709,102
District contributions subsequent to the measurement date	1,302,661
Change in proportion and differences between contributions and proportionate share of contributions	119,498
Total Deferred Outflows of Resources	$ 6,698,025
Deferred Inflows of Resources	
Differences between expected and actual experience	$ 101,652
Changes in proportion and differences between contributions and proportionate share of contributions	83,402
	$ 185,054

$1,302,661 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS
2018	$ 2,196,647
2019	2,187,443
2020	900,778
2021	(74,558)
Total	$ 5,210,310

Note 9 - Defined Benefit Pension Plan (Continued)

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.25%
Future Salary Increases, including inflation	3.25% to 10.75% including wage inflation
COLA or Ad Hoc COLA simple	Pre 1/7/2013 Retirees: 3.00%, Simple; Post 1/7/2013 Retirees: 3.00% Simple through 2018, then 2.15% Simple
Investment Rate of Return	7.50%
Actuarial Cost Method	Individual entry age

Mortality rates were based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females.

The most recent experience study was completed for the five-year period ended December 31, 2015.

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

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 8.3 percent for 2016.

Note 9 - Defined Benefit Pension Plan (Continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2016 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.0%	2.75%
Domestic Equities	20.7%	6.34%
Real Estate	10.0%	4.75%
Private Equity	10.0%	8.97%
International Equities	18.3%	7.95%
Other Investments	18.0%	4.92%
Total	100.0%	5.66%

Discount Rate The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.5 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the net pension liability	$26,093,564	$17,080,035	$9,568,843

Note 10 - Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains two cost-sharing, multiple-employer defined benefit postemployment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a health reimbursement arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

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

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2017, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Note 10 - Postemployment Benefits (Continued)

OPERS maintains three health care trusts. The two cost-sharing, multiple employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0 percent during calendar year 2016. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2017 changed to 1.0 percent for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2017 was 4.0 percent.

The District's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2017, 2016, and 2015 were $93,254, $198,481, and $187,921, respectively. For 2017, 95.06 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2016 and 2015.

Note 11 - Employee Benefits

Compensated Absences

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

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

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

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

Insurance

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

Note 11 - Employee Benefits (Continued)

Deferred Compensation

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

Note 12 - Long-Term Obligations

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

Types / Issues	Balance at 12/31/16	Increases	Decreases	Balance at 12/31/17	Due Within One Year
Governmental Activities					
Compensated Absences	$ 936,713	$ 373,003	$ (491,348)	$ 818,368	$ 414,487
Net Pension Liability - OPERS	13,198,277	3,881,758	-	17,080,035	-
Total Governmental Activities	$ 14,134,990	$ 4,254,761	$ (491,348)	$ 17,898,403	$ 414,487

Compensated absences will be paid from the General Fund and the Golf Course Special Revenue Fund. The District pays obligations related to employee compensation from the fund benefitting from their service. See Note 9 for additional information related to the net pension liability.

Note 13 - Interfund Activity

The transfer made during the year ended December 31, 2017, was as follows:

Transfer From	General	Transfer To Capital Improvement	Golf Course	Total
General	$ -	$ 4,000,000	$ 155,000	$ 4,155,000
Thomas Educational	1,500	-	-	1,500
Inniswood	-	71,526	-	71,526
	$ 1,500	$ 4,071,526	$ 155,000	$ 4,228,026

The transfers from the General Fund and Inniswood Fund to the Capital Improvement Fund were made to fund capital projects of the District. The transfer made from the General Fund to the Golf Course fund was made to help fund operations of the Golf Course. The transfer from the Thomas Educational Fund to the General Fund was made to reimburse the General Fund for transportation costs for the SEED program.

At December 31, 2017, the General Fund had an unpaid interfund cash advance in the amount of $13,200 for a long-term loan made to the Golf Course Fund. The Park District has set up a yearly advance repayment over the next five years.

Note 14 - Contingent Liabilities

Federal and State Grants

For the period January 1, 2017 to December 31, 2017, the District received federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the District believes such disallowance, if any, would be immaterial.

Litigation

The District is not party to any legal proceedings.

Note 15 – Significant Commitments

Contractual Commitments

At December 31, 2017, the District's significant contractual commitments consisted of:

Projects	Contract Amount	Amount Completed	Balance at 12/31/2017
District-Wide Signage	$ 46,518	$ 44,943	$ 1,575
BLN Precast Restroom	28,875	-	28,875
BDC & SGR Maintenance Buildings	970,847	969,601	1,246
BDC Demo - Albin House	9,700	9,010	690
BDC Precast Restroom	79,325	-	79,325
HBK Riverbluff	341,195	340,171	1,024
HBK Precast Restroom	87,575	-	87,575
Alum Creek Trail Connection	356,241	355,241	1,000
PKN Day Use Design	479,668	358,386	121,282
CHS Precast Restroom	30,225	-	30,225
BGC Activities Building Upgrade	1,257,608	42,964	1,214,644
BGC Precast Restroom	28,875	-	28,875
SRF Precast Restroom	111,125	1,350	109,775
Dombey Wet Prairie Restoration	396,894	394,433	2,461
GLR Demo - Old Park Office	27,750	27,667	83
GLR Challenge Course	118,112	63,237	54,875
GLR Site Improvements	489,771	382,668	107,103
Sio Precast Restrooms	79,325	-	79,325
Rocky Fork Reach 2	236,181	212,118	24,063
RM - Tree Plantings	96,289	85,039	11,250
GRN Improvements	18,560	17,168	1,392
Scioto Grove Development	64,752	59,552	5,200
Scioto Grove Reach 2	2,630,892	2,544,088	86,804
SGR Multi-Use Trail	257,181	247,686	9,495
QUA Design	170,000	118,479	51,521
Totals	$ 8,413,484	$ 6,273,801	$ 2,139,683

Note 15 – Significant Commitments (Continued)

Encumbrances

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

Governmental Funds:	
General	$ 239,997
Golf Course	5,189
Capital Improvement	5,676,470
Total	$ 5,921,656

Note 16 - Fund Balances

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

Fund Balances	General	Golf Course	Capital Improvement	Nonmajor Governmental Funds	Total
Nonspendable					
Advances	$ 13,200	$ -	$ -	$ -	$ 13,200
Prepaids	101,110	186	-	-	101,296
Inniswood Capital Improvements	-	-	-	452,558	452,558
E.S. Thomas Educational Fund	-	-	-	89,011	89,011
J.C. Hambleton Memorial Fund	-	-	-	8,785	8,785
Total Nonspendable	114,310	186	-	550,354	664,850
Restricted for					
A.F. Beck	-	-	-	19,883	19,883
Inniswood Capital Improvements	-	-	-	72,336	72,336
M&A Thomas Inniswood	-	-	-	91,837	91,837
E.S. Thomas Educational Fund	-	-	-	16,177	16,177
J.C. Hambleton Memorial Fund	-	-	-	353,498	353,498
Total Restricted	-	-	-	553,731	553,731
Committed to					
Capital Projects	-	-	4,009,046	-	4,009,046
Golf Course	-	50,062	-	-	50,062
Total Committed	-	50,062	4,009,046	-	4,059,108
Assigned	212,928	-	-	-	212,928
Unassigned	7,125,177	-	-	-	7,125,177
Total Funds Balances	$ 7,452,415	$ 50,248	$ 4,009,046	$ 1,104,085	$ 12,615,794

Note 17 - Donor Restricted Endowments

The District's permanent funds include donor restricted endowments of $205,810. Endowments in the amount of $97,796 represent the principal portion. The amount of net appreciation in donor restricted investments that is available for expenditures by the District is $108,014 and is included as held in trust for educational programs. State law permits the District to appropriate, for purposes consistent with the endowment's intent, net appreciation, realized and unrealized, unless the endowment terms specify otherwise. The endowments indicate that the interest should be used to provide educational programs.

Note 18 – Effect of Newly Adopted Accounting Pronouncements

The Governmental Accounting Standards Board has also issued Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, effective for fiscal years beginning after June 30, 2016. The objective of this Statement is to improve the usefulness of information about postemployment benefits other pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The adoption of GASB Statement No. 74 had no impact on the December 31, 2017 financial statements.

The Governmental Accounting Standards Board has issued Statement No. 81, Irrevocable Split-Interest Agreements, effective for fiscal years beginning after December 15, 2016. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance. The adoption of GASB Statement No. 81 had no impact on the December 31, 2017 financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 82, Pension Issues – an amendment of GASB No. 67, No. 68 and No. 73, effective for fiscal years beginning after June 15, 2016. This Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The adoption of GASB Statement No. 82 had no impact on the December 31, 2017 financial statements.

Note 19 – Effect of Newly Issued Accounting Pronouncements

The Governmental Accounting Standards Board has also issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for fiscal years beginning after June 15, 2017. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The District has not yet determined the effect that the adoption of GASB Statement No. 75 may have to its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 83, Certain Asset Retirement Obligations, effective for fiscal years beginning after June 15, 2018. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. This issue arises when a government has legal obligations to perform future asset retirement activities related to its tangible capital assets. The District has not yet determined the effect that the adoption of GASB Statement No. 83 may have to its financial statements.

Note 19 – Effect of Newly Issued Accounting Pronouncements (Continued)

The Governmental Accounting Standards Board has also issued Statement No. 84, Fiduciary Activities, effective for fiscal years beginning after December 15, 2018. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The District has not yet determined the effect that the adoption of GASB Statement No. 84 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 85, Omnibus 2017, effective for fiscal years beginning after June 15, 2017. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). The District has not yet determined the effect that the adoption of GASB Statement No. 85 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 86, Certain Debt Extinguishment Issues, effective for fiscal years beginning after June 15, 2017. The objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. The District has not yet determined the effect that the adoption of GASB Statement No. 86 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 87, Leases, effective for the fiscal years beginning after December 15, 2019. The objective of this Statement is to improve accounting and financial reporting for leases by governments. It requires recognition of certain lease assets and liabilities that were previously classified as operating leases. The District has not yet determined the effect that the adoption of GASB Statement No. 87 may have on its financial statements.

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
December 31, 2017

Ohio Public Employees Retirement System - Traditional Plan
Last Four Years (1)

	2016	2015	2014	2013
District's proportion of the net pension liability (asset) (percentage)	0.075215%	0.076197%	0.073409%	0.073409%
District's proportionate share of the net pension liability (asset)	$ 17,080,035	$ 13,198,277	$ 8,853,926	$ 8,653,945
District's covered payroll	$ 9,924,033	$ 9,143,281	$ 8,290,855	$ 8,832,616
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	172.11%	144.35%	106.79%	97.98%
Plan fiduciary net position as a percentage of the total pension liability	77.25%	81.08%	86.45%	86.36%

(1) Information prior to fiscal year 2013 is not available.

*Will be built prospectively.

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

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Required Supplementary Information
Schedule of the District's Contributions
For the Year Ended December 31, 2017

Ohio Public Employees Retirement System - Traditional Plan
Last Four Years (1)

	2017	2016	2015	2014
Actuarially determined contribution	$ 1,302,661	$ 1,190,884	$ 1,180,341	$ 1,075,626
Actual contribution	(1,302,661)	(1,190,884)	(1,180,341)	(1,075,626)
Contribution deficit (surplus)	$ -	$ -	$ -	$ -
Districts's covered payroll	$ 9,325,436	$ 9,924,033	$ 9,143,281	$ 8,290,855
Actual contribution as a percentage of covered payroll	13.97%	12.00%	12.91%	12.97%

(1) Information prior to fiscal year 2014 is not available.

Note A – Significant Actuarial Assumptions

In 2016, the Board's actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0% down to 7.5%, for the defined benefit investments. The changes in assumptions created a deferred outflow of $5,328,800,352 for the Traditional Plan and $4,008,053 for the District.

The discussion and analysis of the Columbus and Franklin County Metropolitan Park District's (the "District") financial performance provides an overall review of the District's financial activities for the year ended December 31, 2016. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the financial statements and the Notes to the Basic Financial Statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

The District's total net position increased $2,575,825 during 2016. The increase was mostly a result of additions to capital assets outpacing current year depreciation. Revenues continue to outpace expenses and, as a result, the District has built up cash balances in anticipation of future spending related to ongoing capital projects.

General revenues of governmental activities accounted for $23,720,503 of all governmental revenues. Program specific revenues in the form of charges for services, grants, contributions, and interest accounted for $1,762,978 of total governmental revenues of $25,483,481.

The District had $22,907,656 in expenses related to governmental activities. $1,762,978 of these expenses were offset by program specific charges for services, grants, contributions, and interest. General revenues (primarily property taxes and grants and entitlements not restricted) of $23,720,503 were more than adequate to provide for these programs.

USING THIS ANNUAL FINANCIAL REPORT

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

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

REPORTING THE DISTRICT AS A WHOLE

One of the most important questions asked about the District is "How did we do financially during 2016?" The Statement of Net Position and the Statement of Activities, which appear first in the District's financial statements, report information on the District as a whole and its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

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

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

THE DISTRICT AS A WHOLE

As stated previously, the Statement of Net Position provides the perspective of the District as a whole. Table 1 provides a summary of the District's net position for 2016 compared to 2015.

Table 1
Net Position

	Governmental Activities		
	2016 (Restated)	2015 (Restated)	Increase (Decrease)
Assets			
Current and Other Assets	$ 35,200,571	$ 33,874,340	$ 1,326,231
Land, Wetlands, Land Restoration			
and Construction In Progress	157,350,305	163,710,461	(6,360,156)
Depreciable Capital Assets, Net	61,601,394	53,120,319	8,481,075
Total Assets	254,152,270	250,705,120	3,447,150
Deferred Outflows of Resources			
Pension	5,292,225	1,652,760	3,639,465
Liabilities			
Current and Other Liabilities	1,064,341	1,220,455	(156,114)
Long-Term Liabilities			
Due Within One Year	442,324	352,630	89,694
Due In More Than One Year:			
Net Pension Liability	13,198,277	8,853,926	4,344,351
Other Amounts	494,390	488,100	6,290
Total Liabilities	15,199,332	10,915,111	4,284,221
Deferred Inflows of Resources			
Property Taxes	18,082,835	17,955,737	127,098
Pension	255,017	155,546	99,471
Total Deferred Inflows of Resources	18,337,852	18,111,283	226,569
Net Position			
Invested In Capital Assets	218,681,354	216,309,044	2,372,310
Restricted For:			
Capital Outlay	412,705	903,496	(490,791)
Educational Programs			
Expendable	104,556	114,969	(10,413)
Nonexpendable	97,796	97,796	-
Gardens at Inniswood - Spendable	38,104	-	38,104
Nonexpendable	452,558	452,558	-
Unrestricted	6,120,238	5,453,623	666,615
Total Net Position	225,907,311	223,331,486	2,575,825

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

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

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

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.
In accordance with GASB 68, the District's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows.

Total assets increased $3,447,150. This increase was due to land purchases and construction in progress relating to the completion of, and continuing construction of, various projects. Land, Wetlands, Land Restoration and Construction in Progress decreased $6,360,156 mainly due to the completion of development projects.

Current and other liabilities decreased $156,114 primarily due to a decrease in retainage payable related to capital projects.

Invested in capital assets increased $2,372,310. This is primarily due to current year capital assets additions exceeding current year depreciation.

Unrestricted net position increased $666,615. This is mainly due to an increase in Cash and Cash Equivalents. This increase in cash is mainly due to the District's land acquisitions and park development that occurred in 2015. The majority of these projects are completed or nearing completion.

Table 2 shows the changes in net position for the years ended December 31, 2016 and 2015.

Table 2
Changes in Net Positions

	2016 (Restated)	2015 (Restated)	Increase/ (Decrease)
Revenues:			
Program Revenues:			
Charges for Services	$ 1,656,464	$ 1,570,131	$ 86,333
Operating Grants, Contributions and	106,514	110,964	(4,450)
Total Program Revenues	1,762,978	1,681,095	81,883
General Revenues:			
Property Taxes	17,601,281	17,173,657	427,624
Unrestricted Investment Earnings	73,534	29,642	43,892
Grants and Entitlements not Restricted to Specific Programs	5,683,320	7,174,467	(1,491,147)
Contributions and Donations	94,639	-	94,639
Gain on Sale of Capital Asset	19,998	58,273	(38,275)
Miscellaneous	247,731	63,674	184,057
Extraordinary Item	-	400,000	(400,000)
Total General Revenues	23,720,503	24,899,713	(1,179,210)
Total Revenues	25,483,481	26,580,808	(1,097,327)

Table 2
Changes in Net Positions
(Continued)

	2016 (Restated)	2015 (Restated)	Increase/ (Decrease)
Program Expenses			
Administration	$ 3,693,218	$ 2,658,604	$ 1,034,614
Education	3,261,095	3,053,211	207,884
Park Operations	11,261,863	7,547,632	3,714,231
Park Planning	160,617	228,363	(67,746)
Park Promotion	752,047	666,664	85,383
Rental Property	194,364	380,323	(185,959)
Natural Resource Management	636,423	391,268	245,155
Golf Course	464,122	435,032	29,090
Park Safety	2,483,907	2,782,082	(298,175)
Total Expenses	22,907,656	18,143,179	4,764,477
Change in Net Position	2,575,825	8,437,629	(5,861,804)
Net Position At Beginning Of Year	223,331,486	214,893,857	
Net Position At End of Year	225,907,311	223,331,486	

GOVERNMENTAL ACTIVITIES

Program revenues, which are primarily represented by charges for District services, fines, and charges generated by the golf course, as well as restricted intergovernmental revenues, restricted interest earnings, and restricted donations, were $1,762,978 of total revenues for 2016 and were slightly higher than 2015.

As previously mentioned, general revenues were $23,720,503 of total revenues for 2016. This is a $1,179,210 decrease from the prior year. Part of the increase is in operating grants and entitlements not restricted to specific programs. This decrease was a result of the District receiving payments according to contractual agreements from local cities and townships to help with the acquisition of land for parks in 2015.

Governmental program expenses as a percentage of total governmental expenses for 2016 are expressed as follows:

Administration	16.22%
Education	14.34%
Park Operations	49.26%
Park Promotion	3.38%
Rental Property	0.95%
Natural Resource Management	2.78%
Golf Course	2.13%
Park Safety	10.94%
	100.00%

The above chart clearly indicates that the District's major source of expenses, 49.26 percent, is related to park operations. All other forms of governmental operations represent 50.74 percent of expenses.

THE DISTRICT'S FUNDS

Information about the District's major governmental funds begins on page 64. All governmental funds had total revenues of $25,707,318 and expenditures of $24,147,777. The General Fund balance decreased $2,628,530 during 2016.

The Golf Course Special Revenue Fund balance decreased $3,686.

The Capital Improvement Capital Projects Fund balance increased $4,161,144 as a result of the District spending resources associated with the acquisition of land along with the starting and/or completion of several capital improvement projects, including infrastructure, during 2016.

GENERAL FUND BUDGETING HIGHLIGHTS

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

Original and final General Fund budgeted revenues were $22,384,924. Actual revenues were less than final budgeted revenues by $773,319, which is mostly due to actual property tax revenues being less than the budgeted amounts.

During 2016, the General Fund operated on one appropriation measure. Actual expenditures were less than the final budgeted expenditures by $1,598,182 due to the District reducing actual expenditures in several areas. This was a result of the District carefully monitoring its spending.

The General Fund's ending fund balance was $3,590,735 above the final budgeted amount. This was mainly due to actual expenditures and transfers out being less than budgeted expenditures and transfers out.

DEBT

In 2016, the District had no outstanding debt obligations.

CAPITAL ASSETS

At the end of 2016, the District had $218,681,354 invested in capital assets (net of accumulated depreciation) for governmental activities, an increase of $2,372,310 from the prior year. The increase in capital assets is primarily related to the continuing development of infrastructure additions and improvements, including roads and trails.

See Note 7 of the Notes to the Basic Financial Statements for more detailed capital assets information.

CURRENT ISSUES

The mission of Metro Parks is to conserve open spaces, while providing places and opportunities that encourage people to discover and experience nature. While following that mission, 2016 was a year to remember. The tremendous growth and enduring popularity of Metro Parks is due to the strong support of the community – as voters, as volunteers and as visitors. Metro Parks' primary funding source is the 10-year, 0.75 mill levy approved by Franklin County voters in 2009. The levy provides a sound financial base for operating and improving existing parks, as well as acquiring additional land for future preservation. Below you will find just a snapshot of some of the fine and wonderful accomplishments of 2016.

Scioto Grove Metro Park – In May, the 19th Metro Park, Scioto Grove opened to a crowd of well-wishers. Much like our other recent projects, Scioto Grove was developed with assistance from our Grove City and Jefferson Township neighbors. With over 20,000 visitors in the first weekend, Scioto Grove is meeting the needs of the residents of southern Franklin County. Scioto Grove also introduced a new amenity to Metro Parks with our first ever overnight backpacking trail.

Shaffer Property – After many years of negotiation and 2.6 million dollars of Clean Ohio Funding, we have entered into a purchase agreement for ownership of what can be considered the most pristine woodlands left in Franklin County. This approximate 100 acres of towering white oaks and 100 foot tall cliffs, will give our visitors a true look at how Ohio looked prior to European settlement. Fronting Big Walnut Creek and just around the corner from Blendon Woods, our park visitors will be amazed at what this new property has.

Pokemon Go – No one could have ever predicted that the release of a video game could have such an impact on the attendance numbers at our parks. While there is no true way of measuring actual Pokemon Go attendance, we saw an increase of over 250,000 visitors at Highbanks for the months of July and August alone. Instead of creating a non-welcoming environment, our staff took on this challenge and made our parks accessible to all. Several parks even created their own special events and programs to build upon the excitement.

Highbanks – In 2016 two significant projects were completed adding significant amenities to our most visited park. Earlier in the year a significant multi-use trail was completed linking the western edge of the park to the existing trail which circled the northern and eastern edges of the park. We also are preparing to open the River Bluff Area on the west side of the Olentangy River. This western access area will provide unfettered access to the Olentangy for Canoeing, Kayaking, or easy fishing access. It will also give park visitors an additional viewing area for the established Eagle's nest on the eastern shore.

The Plan – Beginning in early 2016 the staff undertook the creation of our first ever strategic planning document. This plan was built for use by the staff to help us to continue providing the best and most diverse park system in all of Ohio. Since this was a staff led initiative, we were able to gather great amounts of information that staff has already begun to implement at their parks. We are both confident and excited about the insights gained through this process and can be seen in the 2017 Budget Plan.

Education – Environmental education still remains as one of the pillars of everything we do here in Metro Parks and 2016 has the numbers to prove it. We made considerable effort this year to provide more spontaneous programming opportunities throughout the District. Along with our naturalist led programs, we continue to see growth in our collaborative 5th grade educational outreach program. The Students Exploring Ecosystem Dynamics (SEED) is still growing throughout many of the Franklin County School Districts. In 2016, 8,000 5th graders from six school districts not only visited our parks but took place in a year-round curriculum based program of study.

Camp Chase Trail – Working with our City of Columbus partners, another critical several miles of the Camp Chase Trail was opened to great fanfare this summer. Between these two agencies, only a few more pieces are needed to be put together in our efforts in connecting this critical statewide trail.

Special Events – At the beginning of 2016 staff was challenged to come up with 10 special events which would create new and exciting opportunities for our visitors to enjoy. The only criteria for them was they had to have elements which would attract a new clientele and the anticipated attendance for each of them would be over 200. As of October 31, the District has hosted 34 special events with an estimated attendance of over 40,000 at these events.

The Year Ahead - 2017

In keeping with our vision of clean and safe parks, our efforts will continue towards the overall customer satisfaction and experience. Within these parks the operational side of our budget will focus on park maintenance, patron safety, education, and the control of invasive species. Outside of operations we will continue looking at ways we can control costs while providing the proper level of support to the 19 parks. Listed below are just a few of the projects we are looking at in 2017.

Beginning with the 2017 fiscal year, all of the parks are going to be working on what staff has dubbed "Showcase 18." This program is an effort for us to take a critical look at all of our facilities and infrastructure and address any cosmetic or structural issues. Utilizing the 2016 strategic plan and a newly implemented peer review system, each park will have their version of a clean-up. Items to be covered in Showcase 18 will include but not be limited to: painting, restroom renovation, asphalt sealing and repairs, trail grooming and resurfacing, park entrances, updating of picnic areas, and the overall updating of our user amenities. The goal of this program is to have each and every area of the Park District touched over the next two years. In close conjunction with this effort, the District is going to be creating a new position of Customer Service Manager to focus on our customers throughout the District. This position will act as an ombudsman of sorts making park use even more user friendly than it is today.

A wide variety of capital projects are being contemplated for this 2017. Priority will be given to those projects which either meet our mission and/or vision. A more complete list can be found in the Capital Projects section of the budget. Examples of these capital projects include:

> ***Scioto River Corridor Project*** – As negotiations proceed, we anticipate that we will begin our land acquisition process for the 20th park for the District.
>
> ***Pickerington Ponds Rawn Property Development*** – We are looking at the creation of a destination area and highly visible park use area for an underutilized area of this growing area of Franklin County
>
> ***Parking Lot and Park Roadway Projects*** – As the park system has grown, the assistance we receive from the state is not sufficient to maintain existing roads. Our goal is to utilize our own funds to assist in the maintenance of these roads.
>
> ***Glacier Ridge/Homestead Park Improvements*** – After taking possession of Homestead and taking some time in 2016 to observe the park use at Glacier, we are going to be developing several projects to better maximize these two parks.
>
> **Restrooms** – In response to the input we received with our strategic plan, restrooms were a commonly listed item of interest to our users. In 2017 we intend on focusing on several of our outdated vault type latrines and install more modern facilities at our high use remote locations.

Along with our capital program, we have identified other operational areas to address in the 2017 budget. Because of where we are with our Levy commitments, we are now in a place where we can address these opportunities. Other than the Customer Service Manager position, our only other staffing changes will be in part-time or seasonal positions. Other efforts in the 2016 budget will be utilized to continue providing excellent parks and the customer service needed.

CONTACTING THE DISTRICT'S FINANCE DEPARTMENT

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

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Statement of Net Position
December 31, 2016

		Governmental Activities
Assets:		
Equity in Pooled Cash and Cash Equivalents	$	13,414,983
Property Tax Receivable		19,080,805
Due from Other Governments		2,123,850
Prepaid Items		83,637
Cash and Cash Equivalents with Fiscal Agents		497,296
Land, Wetlands, Land Restoration and Construction In Progress		157,350,305
Depreciable Capital Assets, Net		61,601,394
Total Assets		254,152,270
Deferred Outflows of Resources:		
Pension		5,292,225
Liabilities:		
Accounts Payable		84,667
Accrued Wages Payable		517,835
Contracts Payable		140,119
Matured Compensated Absences Payable		12,084
Retainage Payable		130,226
Due To Other Governments		179,410
Long-Term Liabilities:		
Due Within One Year		442,324
Due In More Than One Year:		
Net Pension Liability		13,198,277
Other Amounts		494,390
Total Liabilities		15,199,332
Deferred Inflows of Resources:		
Property Taxes		18,082,835
Pension		255,017
Total Deferred Inflows of Resource		18,337,852
Net Position:		
Investment in Capital Assets		218,681,354
Restricted for:		
Capital Outlay		412,705
Educational Programs:		
Expendable		142,660
Nonexpendable		97,796
Gardens at Inniswood - Nonexpendable		452,558
Unrestricted		6,120,238
Total Net Position	$	225,907,311

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Statement of Activities
For the Year Ended December 31, 2016

		Program Revenues		Net (Expense) Revenue And Changes In Net Position
	Expenses	**Charges For Services**	**Operating Grants, Contributions, And Interest**	**Governmental Activities**
Governmental Activities:				
Administration:				
Salaries and Benefits	$ 2,672,662	$ -	$ -	$ (2,672,662)
All Other	1,020,556	-	30,945	(989,611)
Education	3,261,095	142,760	4,822	(3,113,513)
Park Operations	11,261,863	-	70,747	(11,191,116)
Park Planning	160,617	-	-	(160,617)
Park Promotion	752,047	-	-	(752,047)
Rental Property	194,364	578,776	-	384,412
Natural Resource Management	636,423	-	-	(636,423)
Golf Course	464,122	926,257	-	462,135
Park Safety	2,483,907	8,671	-	(2,475,236)
Total Governmental Activities	$ 22,907,656	$ 1,656,464	$ 106,514	(21,144,678)
		General Revenues:		
		Property Taxes		17,601,281
		Gifts & Donation		94,639
		Unrestricted Investment Earnings		73,534
		Gain on Sale of Capital Assets		19,998
		Grants and Entitlements Not Restricted To Specific Programs		5,683,320
		Miscellaneous		247,731
		Total General Revenues		23,720,503
		Change in Net Position		2,575,825
		Net Position at Beginning of Year Restated (See Note 19)		223,331,486
		Net Position at End of Year		$ 225,907,311

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Balance Sheet
Governmental Funds
December 31, 2016

	General	Golf Course	Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Equity in Pooled Cash and Cash Equivalents	$ 7,094,786	$ 73,930	$ 5,631,211	$ 615,057	$ 13,414,984
Cash and Cash Equivalents with Fiscal Agents	6,634	-	-	490,662	497,296
Receivables:					
Property Taxes	19,080,805	-	-	-	19,080,805
Due from Other Governments	2,123,850	-	-	-	2,123,850
Prepaid Items	83,451	186	-	-	83,637
Advances to Other Funds	19,800	-	-	-	19,800
Total Assets	$ 28,409,326	$ 74,116	$ 5,631,211	$ 1,105,719	$ 35,220,372
Liabilities:					
Accounts Payable	$ 68,861	$ 7,473	$ 8,333	$ -	$ 84,667
Accrued Wages Payable	489,512	28,323	-	-	517,835
Contracts Payable	-	-	140,119	-	140,119
Matured Compensated Absences Payable	12,084	-	-	-	12,084
Retainage Payable	-	-	130,226	-	130,226
Due to Other Governments	167,642	11,768	-	-	179,410
Advances to Other Funds	-	19,800	-	-	19,800
Total Liabilities	738,099	67,364	278,678	-	1,084,141
Deferred Inflows of Resources:					
Property Taxes	18,082,835	-	-	-	18,082,835
Unavailable Revenue	2,923,592	-	-	-	2,923,592
Total Deferred Inflows of Resources	21,006,427	-	-	-	21,006,427
Fund Balances:					
Nonspendable	103,251	186	-	550,354	653,791
Restricted	-	-	-	555,365	555,365
Commited	-	6,566	5,352,533	-	5,359,099
Assigned	137,399	-	-	-	137,399
Unassigned	6,424,150	-	-	-	6,424,150
Total Fund Balances	6,664,800	6,752	5,352,533	1,105,719	13,129,804
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 28,409,326	$ 74,116	$ 5,631,211	$ 1,105,719	$ 35,220,372

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2016

Total Governmental Fund Balances		$13,129,804
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital Assests used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Land	137,162,143	
Wetlands	3,981,412	
Land Restoration	13,116,641	
Construction In Progress	3,090,109	
Other Capital Assets	106,745,214	
Accumulated Depreciation	(45,143,820)	
Total		218,951,699
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:		
Delinquent Property Taxes	997,970	
Due From Other Governments	1,925,622	
Total		2,923,592
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	5,292,225	
Deferred Inflows - Pension	(255,017)	
Net Pension Liability	(13,198,277)	
Total		(8,161,069)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Compensated Absences		(936,715)
Net Position of Governmental Activities		$ 225,907,311

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2016

	General	*Golf Course*	*Capital Improvement*	*Nonmajor Governmental Funds*	*Total Governmental Funds*
Revenues:					
Property Taxes	$ 17,776,912	$ -	$ -	$ -	$ 17,776,912
Intergovernmental	4,288,798	-	1,451,207	-	5,740,005
Charges for Services	142,760	650,683	-	-	793,443
Fines and Forfeitures	921	-	-	-	921
Licenses and Permits	7,750	-	-	-	7,750
Investment Earnings	46,231	-	4,434	23,264	73,929
Rent	578,776	274,295	-	-	853,071
Contributions and Donations	99,073	-	66,313	35,372	200,758
Refunds	201,157	-	-	-	201,157
Miscellaneous	12,546	1,279	45,547	-	59,372
Total Revenues	23,154,924	926,257	1,567,501	58,636	25,707,318
Expenditures:					
Current Operations and Maintenance:					
Administration:					
Salaries and Benefits	1,726,199	773,049	-	-	2,499,248
All Other	937,241	3,054	-	-	940,295
Education	2,445,236	-	-	-	2,445,236
Park Operations	8,024,509	25,187	3,597	-	8,053,293
Park Planning	158,204	-	-	-	158,204
Park Promotion	759,926	-	-	-	759,926
Rental Property	171,175	-	-	-	171,175
Natural Resource Management	590,972	-	-	-	590,972
Golf Course	35,346	244,373	-	-	279,719
Park Safety	2,222,948	-	-	-	2,222,948
Capital Outlay	624,001	-	5,402,760	-	6,026,761
Total Expenditures	17,695,757	1,045,663	5,406,357	-	24,147,777
Excess of Revenues Over (Under) Expenditures	5,459,167	(119,406)	(3,838,856)	58,636	1,559,541
Other Financing Sources (Uses):					
Proceeds from Sale of Capital Assets	39,542	-	-	-	39,542
Refund of Prior Year Receipts	(9,339)	(2,180)	-	-	(11,519)
Transfers In	-	117,900	8,000,000	-	8,117,900
Transfers Out	(8,117,900)	-	-	-	(8,117,900)
Total Other Financing Sources (Uses)	(8,087,697)	115,720	8,000,000	-	28,023
Net Change in Fund Balances	(2,628,530)	(3,686)	4,161,144	58,636	1,587,564
Fund Balances at Beginning of Year (Restated - Note 19)	9,293,330	10,438	1,191,389	1,047,083	11,542,240
Fund Balances at End of Year	$ 6,664,800	$ 6,752	$ 5,352,533	$ 1,105,719	$ 13,129,804

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2016

Net Change in Fund Balances - Total Governmental Funds		$ 1,587,564
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital Assets Additions	1,154,800	
Construction in Progress additions	4,540,262	
Depreciation	(3,554,599)	
Excess of Capital Asset Additions Over Depreciation Expense		2,140,463
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each sale.		
Proceeds From Sale of Capital Assets	(39,542)	
Gain on Disposal of Capital Assets	19,998	
Total		(19,544)
Some revenues that will not be collected for several months after the District's year end are not considered "available" revenues and are deferred in the governmental funds.		
Delinquent Property Taxes	(171,571)	
Intergovernmental	(60,266)	
Total		(231,837)
Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.		1,190,883
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the Statement of Activities.		(2,040,720)
Some items reported as expenses in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:		
Increase in Compensated Absences		(50,984)
Change in Net Position of Governmental Activities		$ 2,575,825

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Year Ended December 31, 2016

	Original Budget	Revised Budget	Budgetary Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	$ 18,058,231	$ 18,058,231	$ 17,776,912	$ (281,319)
Intergovernmental	3,508,842	3,508,842	4,292,117	783,275
Charges for Services	140,118	140,118	142,760	2,642
Licenses And Permits	8,226	8,226	7,750	(476)
Fines and Forfeitures	1,371	1,371	921	(450)
Investment Earnings	17,275	17,275	46,231	28,956
Rent	611,199	611,199	578,776	(32,423)
Contributions and Donations	19,194	19,194	99,073	79,879
Miscellaneous	20,468	20,468	213,703	193,235
Total Revenues	22,384,924	22,384,924	23,158,243	773,319
Expenditures:				
Current Operations and Maintenance:				
Administration:				
Salaries and Benefits	1,688,023	1,688,023	1,692,511	(4,488)
All Other	1,131,794	1,131,794	986,135	145,659
Education	2,535,979	2,535,979	2,436,125	99,854
Park Operations	8,297,463	8,297,463	8,031,322	266,141
Park Planning	240,316	240,316	160,617	79,699
Park Promotion	786,468	786,468	782,605	3,863
Rental Property	404,240	404,240	171,175	233,065
Natural Resource Management	655,704	655,704	605,997	49,707
Golf Course	52,580	52,580	35,159	17,421
Park Safety	2,955,834	2,955,834	2,252,436	703,398
Capital Outlay	627,864	627,864	624,001	3,863
Total Expenditures	19,376,265	19,376,265	17,778,083	1,598,182
Excess of Revenues Over Expenditures	3,008,659	3,008,659	5,380,160	2,371,501
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	97,891	97,891	39,542	(58,349)
Advances - In	-	-	6,600	6,600
Advances - Out	-	-	-	-
Refund of Prior Year Receipts	(13,000)	(13,000)	(9,339)	3,661
Refund of Prior Year Expenditures	6,678	6,678	-	(6,678)
Transfers Out	(7,391,900)	(9,391,900)	(8,117,900)	1,274,000
Total Other Financing Sources (Uses)	(7,300,331)	(9,300,331)	(8,081,097)	1,219,234
Net Change in Fund Balance	(4,291,672)	(6,291,672)	(2,700,937)	3,590,735
Fund Balance at Beginning of Year	9,540,905	9,540,905	9,540,905	-
Prior Year Encumbrances Appropriated	91,973	91,973	91,973	-
Fund Balance at End of Year	$ 5,341,206	$ 3,341,206	$ 6,931,941	$ 3,590,735

See Accompanying Notes to the Basic Financial Statements

COLUMBUS AND FRANKLIN COUNTY
METROPOLITAN PARK DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis)
Golf Course Special Revenue Fund
For the Year Ended December 31, 2016

	Original Budget	*Revised Budget*	*Budgetary Actual*	*Variance Positive (Negative)*
Revenues:				
Charges for Services	$ 692,000	$ 692,000	$ 619,913	$ (72,087)
Golf Course	2,000	2,000	30,770	28,770
Rent	228,100	228,100	274,295	46,195
Miscellaneous	2,900	2,900	1,279	(1,621)
Total Revenues	925,000	925,000	926,257	1,257
Expenditures:				
Current Operations and Maintenance:				
Administration	797,558	797,558	776,103	21,455
Park Operations	26,000	26,000	25,002	998
Golf Course	253,065	253,065	233,576	19,489
Capital Outlay	31,000	31,000	-	31,000
Total Expenditures	1,107,623	1,107,623	1,034,681	72,942
Excess of Revenues Under Expenditures	(182,623)	(182,623)	(108,424)	74,199
Other Financing Sources (Uses):				
Advances - Out	-	-	(6,600)	(6,600)
Refund Of Prior Year Receipts	-	-	(2,180)	(2,180)
Transfers In	117,900	117,900	117,900	-
Total Other Financing Sources (Uses)	117,900	117,900	109,120	(8,780)
Net Change in Fund Balance	(64,723)	(64,723)	696	65,419
Fund Balance at Beginning of Year	70,819	70,819	70,819	-
Prior Year Encumbrances Appropriated	2,415	2,415	2,415	-
Fund Balance at End of Year	$ 8,511	$ 8,511	$ 73,930	$ 65,419

See Accompanying Notes to the Basic Financial Statements

Note 1 - Description of the District and Reporting Entity

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

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

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

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

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District, in that the District approves the organization's budget, the issuance of its debt, or the levying of its taxes. The District has no component units.

Note 2 - Summary of Significant Accounting Policies

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

Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include all financial activities of the District. The statements usually distinguish between those activities of the District that are governmental in nature and those that are considered business-type activities. The District, however, has no activities that are classified as business-type.

Note 2 - Summary of Significant Accounting Policies (Continued)

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements

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

Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. All funds of the District are governmental funds.

Governmental funds are those through which most governmental functions are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities and deferred inflows of resources is reported as fund balance. The following are the District's major governmental funds:

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

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

Note 2 - Summary of Significant Accounting Policies (Continued)

Measurement Focus

Government-Wide Financial Statements

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

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Basis of Accounting

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

Revenues – Exchange and Non-Exchange Transactions

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

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

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

Note 2 - Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources include pension reported in the government-wide statement of net position. The deferred outflows of resources related to pension are explained in Note 10.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Distict, deferred inflows of resources include property taxes, pension and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance 2016 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 9)

Pensions

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

Expenses/Expenditures

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

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

Cash and Cash Equivalents

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

Note 2 - Summary of Significant Accounting Policies (Continued)

During 2016, the District's investments were limited to US Treasury Notes, Municipal Bonds, Negotiable Certificates of Deposit and PNC Government Mortgage Fund-Class I Mutual Fund. Investments in the mutual fund are reported at fair value which is based on the fund's quoted market price.

Interest income is distributed to the funds according to Ohio constitutional and statutory requirements. Interest revenue credited to the General Fund during 2016 amounted to $46,231.

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2016 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which the services are consumed.

Capital Assets

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

Capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values on the date donated. The District maintains a capitalization threshold of $1,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

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

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

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

Note 2 - Summary of Significant Accounting Policies (Continued)

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

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

Interfund Balances

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

Compensated Absences

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

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

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

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

Accrued Liabilities and Long-Term Obligations

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

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

Note 2 - Summary of Significant Accounting Policies (Continued)

Fund Balance

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

> Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. Nonspendable fund balances for the District includes prepaids and donor restricted endowments.
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> Restricted - Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.
>
> Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District. Those committed amounts cannot be used for any other purpose unless the District's Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
>
> Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board of Directors, delegated that authority ordinance or by State statute. State statute authorizes the finance director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.
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> Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

Internal Activity

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

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

Note 2 - Summary of Significant Accounting Policies (Continued)

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

Estimates

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

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. A portion of certain governmental long-term liabilities is not related to governmental activities because, although the entire debt is being paid from governmental activities, part of the proceeds were used to purchase assets used in the business-type activities. The unrelated portion of these liabilities is included in the calculation of unrestricted net position.

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

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

Budgetary Process

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

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

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year, including all supplemental appropriations.

Note 2 - Summary of Significant Accounting Policies (Continued)

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

Note 3 - Budgetary Basis of Accounting

While reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) is presented for the General Fund and the Golf Course Special Revenue Fund on the budgetary basis to provide a meaningful comparison of actual results with the budget.

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

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

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

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

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

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

Net Change in Fund Balance

	General Fund	Golf Course Fund
GAAP Basis	$ (2,628,530)	$ (3,686)
Increases (Decreases) Due To:		
Revenue Accruals	3,319	-
Expenditure Accruals	87,151	10,982
Encumbrances	(169,477)	-
Advances	6,600	(6,600)
Budget Basis	$ (2,700,937)	$ 696

Note 4 - Deposits and Investments

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

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

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

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

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

1. United States Treasury notes, bills, bonds, notes, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

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

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

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

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

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

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

Note 4 - Deposits and Investments (Continued)

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

Deposits: Custodial credit risk for deposits is the risk that in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, $250,000 of the District's $10,475,349 bank balance was FDIC insured and not exposed to custodial credit risk. The remaining $10,225,349 was not insured but collateralized with securities held by the pledging financial institution. This $10,225,349 is exposed to custodial credit risk because the collateralized securities are not held by a third-party administrator.

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

Investments: As of December 31, 2016, the District had the following investments. All investments, except the PNC Government Mortgage Fund-Class I, are in an internal investment pool.

	Investment Maturities (in Years)		
	Fair Value	Less than 1	1-2 Years
US Treasury Notes	$ 249,473	$ -	$ 249,473
Municipal Bonds	517,603	254,130	263,473
Negotiable Certificates of Deposit	1,795,003	1,795,003	-
PNC Government Mortgage Fund -Class I			
Mutual Fund	482,947	-	482,947
Totals	$ 3,045,026	$ 2,049,133	$ 995,893

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

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

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above tables identify the District's recurring fair value measurement as of December 31, 2016. All investments of the District are valued using quoted market prices (Level 1 inputs).

Note 5 - Property Taxes

Property taxes include amounts levied against all real and public utility property located in the District. Property tax revenue received during 2016 for real and public utility property taxes represents collections of 2015 taxes.

2016 real property taxes were levied after October 1, 2016, on the assessed value as of January 1, 2016, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2016 real property taxes are collected in and intended to finance 2017.

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

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

The full tax rate for all District operations for the year ended December 31, 2016, was $0.75 per $1,000 of assessed value. The assessed values of real and tangible personal property upon which 2016 property tax receipts were based are as follows:

Category	Assessed Value
Real Property:	
Agricultural/Residential	$ 18,137,194,600
Commercial/Industrial/Mineral	7,965,543,040
Public Utility Real	13,024,960
Tangible Personal Property	
Public Utility Personal	952,060,150
Total	27,067,822,750

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the District. The County Auditor periodically remits to the District its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2016, and for which there was an enforceable legal claim. In the governmental funds, the portion of the receivable not levied to finance 2016 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

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

Note 6 - Receivables

Receivables at December 31, 2016, consisted of Property Taxes and Due From Other Governments. All receivables are considered fully collectible and will be collected within one year, with the exception of Property Taxes. Property Taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year.

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

	Amount
Governmental Activities	
Local Government	$ 1,129,398
Homestead And Rollback	994,452
Total Due From Other Governments	$ 2,123,850

Note 7 - Capital Assets

Capital assets activity for the year ended December 31, 2016, was as follows:

Governmental Activities	Balance At 12/31/2015	Additions	Deletions	Balance At 12/31/2016
Capital Assets, Not Being Depreciated				
Land	$ 136,837,143	$ 325,000	$ -	$ 137,162,143
Wetlands	3,981,412	-	-	3,981,412
Land Restoration	13,055,996	60,645	-	13,116,641
Construction In Progress	9,835,910	4,540,262	(11,286,063)	3,090,109
Total Capital Assets, Not Being Depreciated	163,710,461	4,925,907	(11,286,063)	157,350,305
Depreciable Capital Assets:				
Land Improvements	11,464,279	3,514,463	-	14,978,742
Buildings	30,678,771	584,480	(41,181)	31,222,070
Equipment	4,603,426	312,933	(170,157)	4,746,202
Furnishings	237,696	6,375	(4,635)	239,436
Radios	471,615	51,400	(15,779)	507,236
Vehicles	2,051,365	258,548	(142,716)	2,167,197
Computer Equipment	198,669	1,540	(4,632)	195,577
Infrastructure	45,363,275	7,325,479	-	52,688,754
Total Depreciable Capital Assets	$ 95,069,096	$ 12,055,218	$ (379,100)	$ 106,745,214
Less Accumulated Depreciation:				
Land Improvements	(7,068,437)	(1,245,073)	-	(8,313,510)
Buildings	(11,971,398)	(745,773)	21,637	(12,695,534)
Equipment	(3,978,805)	(226,182)	170,157	(4,034,830)
Furnishings	(159,111)	(26,058)	4,635	(180,534)
Radios	(401,218)	(32,654)	15,779	(418,093)
Vehicles	(1,694,315)	(193,191)	142,716	(1,744,790)
Computer Equipment	(139,041)	(19,874)	4,632	(154,283)
Infrastructure	(16,536,452)	(1,065,794)	-	(17,602,246)
Total Accumulated Depreciation	(41,948,777)	(3,554,599)	359,556	(45,143,820)
Depreciable Capital Assets, Net	53,120,319	8,500,619	(19,544)	61,601,394
Governmental Activities Capital Assets, Net	$ 216,830,780	$ 13,426,526	$ (11,305,607)	$ 218,951,699

* Depreciation expense was charged to governmental programs as follows:

Administration	$ 80,261
Education	689,494
Park Operations	2,452,502
Rental Property	23,189
Renovation	2,634
Special Facilities	1,930
Revenue Operations	136,182
Natural Resource Management	7,458
Park Safety	160,949
Total Depreciation by Function	$ 3,554,599

Note 8 - Risk Management

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

The District insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

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

Casualty and Property Coverage
APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2016, PEP retained $350,000 for casualty claims and $100,000 for property claims.

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

Financial Position
PEP's financial statements (audited by other auditor's) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2016.

	2016
Assets	$42,182,281
Liabilities	(13,396,700)
Net Position	$28,785,581

At December 31, 2016, the liabilities above include approximately 12.0 million of estimated incurred claims payable. The assets above also include approximately $11.5 million of unpaid claims to be billed. The Pool's membership increased to 520 members in 2016. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2016, the Government's share of these unpaid claims collectible in future years is approximately $89,000.

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

2016 Contributions to PEP
$ 140,540

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

Note 9 - Defined Benefit Pension Plan

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

Note 9 - Defined Benefit Pension Plan (Continued)

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

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

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

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

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

Note 9 - Defined Benefit Pension Plan (Continued)

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

	State and Local	Public Safety	Law Enforcement
2016 Statutory Maximum Contribution Rates			
Employer	14 %	18.1 %	18.1 %
Employee	10 %	*	**
2016 Actual Contribution Rates			
Employer:			
Pension	12 %	16.1 %	16.1 %
Post-employment Health Care Benefits	2.0 %	2.0 %	2.0 %
Total Employer	14 %	18.1 %	18.1 %
Employee	10 %	12 %	13 %

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The District's contractually required contribution was $1,190,883 for 2016. Of this amount, $72,497 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS
Proportionate Share of the Net Pension Liability	$13,198,277
Proportion of the Net Pension Liability	0.076197%
Change in Proportionate Share Percentage	0.002788%
Pension Expense	$2,040,719

Note 9 - Defined Benefit Pension Plan (Continued)

At December 31, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS
Deferred Outflows of Resources	
Net difference between projected and actual earnings on pension plan investments	$ 3,879,469
District contributions subsequent to the measurement date	1,190,883
Change in proportion and differences between contributions and proportionate share of contributions	221,873
Total Deferred Outflows of Resources	5,292,225
Deferred Inflows of Resources	
Differences between expected and actual experience	$ 255,017

$1,190,883 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS
2017	$ 950,850
2018	1,012,882
2019	1,004,668
2020	877,925
Total	$ 3,846,325

Note 9 - Defined Benefit Pension Plan (Continued)

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage
inflation COLA or Ad Hoc COLA	Pre 1/7/2013 retirees: 3 percent, simple;
	Post 1/7/2013 retirees: 3 percent,
simple	
	through 2015, then 2.8 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

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

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

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

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 0.4 percent for 2014.

Note 9 - Defined Benefit Pension Plan (Continued)

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00%	2.31%
Domestic Equities	20.7	5.84
Real Estate	10	4.25
Private Equity	10	9.25
International Equities	18.3	7.4
Other investments	18	4.59
Total	100.00%	5.28%

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

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
District's proportionate share of the net pension liability	$21,028,078	$13,198,277	$6,594,086

Note 10 - Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains two cost-sharing, multiple-employer defined benefit postemployment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a health reimbursement arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

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

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

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

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

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

Note 10 - Postemployment Benefits (Continued)

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

The District's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2016, 2015, and 2014 were $198,481, $187,921, and $183,085, respectively. For 2016, 95.00 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2015 and 2014.

Note 11 - Employee Benefits

Compensated Absences

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

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

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

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

Note 11 - Employee Benefits (Continued)

Insurance

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

Deferred Compensation

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

Note 12 - Long-Term Obligations

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

Types / Issues	Balance at 12/31/15	Increases	Decreases	Balance at 12/31/16	Due Within One Year
Governmental Activities					
Compensated Absences	$ 840,730	$ 799,142	$ 703,158	$ 936,714	$ 442,324
Net Pension Liability - OPERS	8,853,926	4,344,351	-	13,198,277	-
Total Governmental Activities	$ 9,694,656	$ 5,143,493	$ 703,158	$14,134,990	$442,324

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

Note 13 - Interfund Activity

The transfer made during the year ended December 31, 2016, was as follows:

		Transfer From
Transfer To		General Fund
	Golf Course Fund	$ 117,900
	Capital Improvement Fund	8,000,000
	Total	$ 8,117,900

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

Note 13 - Interfund Activity (Continued)

At December 31, 2016, the General Fund had an unpaid interfund cash advance in the amount of $19,800 for a long-term loan made to the Golf Course Fund. The Park District has set up a yearly advance repayment over the next five years.

Note 14 - Contingent Liabilities

Federal and State Grants

For the period January 1, 2016, to December 31, 2016, the District received federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the District believes such disallowance, if any, would be immaterial.

Litigation

The District is not party to any legal proceedings.

Note 15 – Significant Commitments

Contractual Commitments

At December 31, 2016, the District's significant contractual commitments consisted of:

Projects	Contract Amount	Amount Completed	Balance at 12/31/2016
District-Wide Signage	$ 4,380	$ 2,081	$ 2,299
Ranger Station Roof Replacement	7,364	-	7,364
BDC & SGR Maintenance Buildings	908,837	893,324	15,513
HBK Riverbluff	341,195	320,686	20,509
PKN Day Use Design	20,000	10,935	9,065
BGC Activities Building Upgrade	46,500	22,307	24,193
Dombey Wet Prairie Restoration	39,000	-	39,000
Rocky Fork Facility Development	91,770	32,502	59,268
Rocky Fork Reach 2	235,989	205,554	30,435
RKY Demolition	17,040	12,890	4,150
RM - Tree Plantings	42,180	27,249	12,254
Scioto Grove Development	5,184,746	4,752,882	30,934
Scioto Grove Reach 2	2,493,159	1,386,908	1,028,172
Homestead Projects	65,212	57,019	7,968
Totals	$ 9,497,372	$ 7,724,337	$ 1,291,124

Encumbrances

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

Note 15 – Significant Commitments (Continued)

Governmental Funds:	
General	$169,477
Capital Improvement	5,669,128
Total	$5,838,605

Note 16 - Fund Balances

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

Fund Balances	General	Golf Course	Capital Improvement	Nonmajor Governmental Funds	Total
Nonspendable					
Prepaids	$ 19,800	$ -	$ -	$ -	$ 19,800
Advances	83,451	186	-	-	83,637
Inniswood Capital Improvements	-	-	-	452,558	452,558
E.S. Thomas Educational Fund	-	-	-	89,011	89,011
J.C. Hambleton Memorial Fund	-	-	-	8,785	8,785
Total Nonspendable	103,251	186	-	550,354	653,791
Restricted for					
A.F. Beck	-	-	-	19,883	19,883
Inniswood Capital Improvements	-	-	-	38,104	38,104
M&A Thomas Inniswood	-	-	-	88,379	88,379
E.S. Thomas Educational Fund	-	-	-	16,177	16,177
J.C. Hambleton Memorial Fund	-	-	-	392,822	392,822
Total Restricted	-	-	-	555,365	555,365
Committed to					
Golf Course	-	6,566	-	-	6,566
Contractual Commitments	-	-	5,352,533	-	5,352,533
Total Committed	-	6,566	5,352,533	-	5,359,099
Assigned	137,399	-	-	-	137,399
Unassigned	6,424,150	-	-	-	6,424,150
Total Funds Balances	$ 6,664,800	$ 6,752	$ 5,352,533	$ 1,105,719	$ 13,129,804

Note 17 - Donor Restricted Endowments

The District's permanent funds include donor restricted endowments of $202,352. Endowments in the amount of $97,796 represent the principal portion. The amount of net appreciation in donor restricted investments that is available for expenditures by the District is $104,556 and is included as held in trust for educational programs. State law permits the District to appropriate, for purposes consistent with the endowment's intent, net appreciation, realized and unrealized, unless the endowment terms specify otherwise. The endowments indicate that the interest should be used to provide educational programs.

Note 18 – GASB Statement Implementation

In 2016, the District implemented GASB Statement No. 72, "Fair Value Measurement and Application". GASB Statement No. 72 addressed accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes for applying fair value to certain investments and disclosures related to all fair value measurements. These changes were incorporated in the District's fiscal year 2016 financial statements; however, there was no effect on beginning net position/fund balance.

Note 19 – Prior Period Restatement

Net position required restatement at the beginning of the year due to accumulated depreciation amounts that were calculated incorrectly in the prior years as follows:

Net position - December 31, 2015	$	224,676,850
Adjustment for Accumulated Depreciation		(1,345,364)
Restated net position - January 1, 2016	$	223,331,486

COLUMBUS AND FRANKLIN DISTRICT
MERTOPOLITAN PARK DISTRCT
Required Supplementary Information
Schedule of the District's Proprotionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
Last Three Years (1)

	2015	2014	2013
District's proportion of the net pension liability (asset) (percentage)	0.076197%	0.073409%	0.073409%
District's proportionate share of the net pension liability (asset)	$ 13,198,277	$ 8,853,926	$ 8,653,945
District's covered payroll	$ 9,143,281	$ 8,290,855	$ 8,832,616
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	144.35%	106.79%	97.98%
Plan fiduciary net position as a percentage of the total pension liability	81.08%	86.45%	86.36%

(1) Information prior to fiscal year 2013 is not available.

*Will be built prospectively.

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

COLUMBUS AND FRANKLIN DISTRICT
MERTOPOLITAN PARK DISTRCT
Required Supplementary Information
Schedule of the District's Contributions

Ohio Public Employees Retirement System - Traditional Plan
Last Three Years (1)

	2016	2015	2014
Actuarially determined contribution	$ 1,190,884	$ 1,180,341	$ 1,075,626
Actual contribution	(1,190,884)	(1,180,341)	(1,075,626)
Contribution deficit (surplus)	$ -	$ -	$ -
Districts's covered payroll	$ 9,924,033	$ 9,143,281	$ 8,290,855
Actual contribution as a percentage of covered payroll	12.00%	12.91%	12.97%

(1) Information prior to fiscal year 2014 is not available.

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

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

June 8, 2018

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

To the Board of Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Columbus and Franklin County Metropolitan Park District**, Franklin County, (the District) as of and for the years ended December 31, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 8, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

We did note certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated June 8, 2018.

Purpose of this Report

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

Perry & Associates CPA's A.C.

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

Dave Yost • Auditor of State

COLUMBUS AND FRANKLIN COUNTY METROPOLITAN PARK DISTRICT

FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
SEPTEMBER 27, 2018

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