



Mary Taylor, CPA
Auditor of State

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

O.O. McIntyre Park District
Gallia County
Gallia County Courthouse
18 Locust Street, Room 1262
Gallipolis, Ohio 45631-1262

To the Board of Park District Commissioners:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of O.O. McIntyre Park District, Gallia County, Ohio (the District), as of and for the years ended December 31, 2007 and 2006, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

As discussed in Note 2, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of O.O. McIntyre Park District, Gallia County, Ohio, as of December 31, 2007 and 2006, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund thereof for the years then ended in conformity with the basis of accounting Note 2 describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2008, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

December 19, 2008

**O.O. MCINTYRE PARK DISTRICT PARK DISTRICT
GALLIA COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
UNAUDITED**

The discussion and analysis of O.O. McIntyre Park District's (the District) financial performance provides an over all review of the District's financial activities for the years ended December 31, 2007 and December 31, 2006 within the limitations of the District's cash basis of accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2006 are as follows:

- Net assets of governmental activities for 2006 decreased by \$59,851 or 11 percent from 2005, a significant change from the prior year. The reason for the decrease was primarily due to reimbursement grant projects that were completed in 2006 with the reimbursement received in 2007.
- The District's general receipts are primarily property taxes. Property tax receipts increased \$12,972 or 5% in 2006 over 2005 due to property tax adjustments within the District.

Key financial highlights for 2007 are as follows:

- Net assets of governmental activities for 2007 decreased by \$33,972 or 8 percent from 2006. The reason for the decrease was due to ongoing reimbursement grant projects which were carried over into 2008 with reimbursements expected to be received in 2008.
- The District's general receipts are primarily property taxes. Property tax receipts increased \$3,175 or 1% in 2007 over 2006.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the District's cash basis of accounting.

Report Components

The statement of net assets and the statement of activities provide information about the cash activities of the District as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the District as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
UNAUDITED
(Continued)**

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The District has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the District's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the District as a Whole

The Statement of Net Assets and the Statement of Activities reflect how the District did financially during 2007 and 2006, within the limitations of cash basis accounting. The Statement of Net Assets presents the cash balances of the governmental activities of the District at year end. The Statement of Activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the District's general receipts.

These statements report the District's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the District's financial health. Over time, increases or decreases in the District's cash position is one indicator of whether the District's financial health is improving or not.

In the Statement of Net Assets and the Statement of Activities, the District has a single type of activity:

Governmental activities. The District's conservation and recreation services are reported here. State and federal grants and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Reporting the District's Most Significant Funds

Fund financial statements provide detailed information about the District's major funds – not the District as a whole. The District establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. All of the District's activities are reported in governmental funds, focusing on how the money flows into and out of the fund, as well as balance available for spending in future periods. The funds are reported using the cash basis of accounting. The governmental fund financial statements provide a short-term view of the District's general operations. The District's major governmental funds are the General Fund, Capital Improvement and Development Fund, Capital Replacement Fund, and the Capital Development Trust Fund.

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
UNAUDITED
(Continued)**

The District as a Whole

Table 1 provides a summary of the District's net assets for 2007 compared to 2006 and 2005 on a cash basis:

(Table 1)
Net Assets

	<u>Governmental Activities</u> 2007	<u>Governmental Activities</u> 2006	<u>Governmental Activities</u> 2005
Assets			
Equity in Pooled Cash and Cash Equivalents	\$441,421	\$475,393	\$535,244
Total Assets	<u>\$441,421</u>	<u>\$475,393</u>	<u>\$535,244</u>
Net Assets			
Restricted for:			
Capital Projects	\$358,039	\$391,865	\$472,201
Unrestricted	83,382	83,528	63,043
Total Net Assets	<u>\$441,421</u>	<u>\$475,393</u>	<u>\$535,244</u>

Over time, net assets can serve as a useful indicator of a government's financial position. The District's finances remained strong during 2007 and 2006 despite the decline in the economy. Net assets for governmental activities increased in the General Fund in 2006 over 2005 due to a decrease in transfers out and 2007 remained relatively consistent with 2006.

Table 2 reflects the changes in net assets in 2007, 2006 and 2005.

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
UNAUDITED
(Continued)**

(Table 2)
Changes in Net Assets

	Governmental Activities 2007	Governmental Activities 2006	Governmental Activities 2005
Receipts:			
Program Receipts:			
Charges for Services and Sales	\$30,355	\$29,134	\$31,976
Operating Grants and Contributions	4,806	29,773	17,892
Capital Grants and Contributions	214,605	79,295	12,529
Total Program Receipts	<u>249,766</u>	<u>138,202</u>	<u>62,397</u>
General Receipts:			
Property and Local Taxes	285,326	282,151	269,179
Grants and Entitlements Not Restricted to Specific Programs	100,208	105,424	100,487
Interest	19,768	20,503	18,011
Leases	6,941		
Miscellaneous	3,431	1,729	2,226
Total General Receipts	<u>415,674</u>	<u>409,807</u>	<u>389,903</u>
Total Receipts	<u>665,440</u>	<u>548,009</u>	<u>452,300</u>
Disbursements:			
Salaries	165,920	160,349	154,225
Supplies	52,353	46,545	51,162
Material	3,146	4,021	3,943
Equipment	79,932	53,133	15,854
Contract Repair	1,353	4,621	1,912
Contract Services	44,689	59,722	50,547
Advertising & Printing	417	1,337	1,666
Travel	2,900	1,798	4,702
PERS	22,688	25,071	20,646
Workers Comp	2,866	2,698	2,444
Other	2,930	3,053	8,271
Medicare / Hospitalization	54,243	51,032	49,123
Capital Outlay	248,684	186,630	28,336
Auditor's Fees	8,213	7,850	8,924
PERS Delinquent	9,078		
Total Disbursements	<u>699,412</u>	<u>607,860</u>	<u>401,755</u>
Change in Net Assets	(33,972)	(59,851)	50,545
Net Assets, January 1	475,393	535,244	484,699
Net Assets, December 31	<u>\$441,421</u>	<u>\$475,393</u>	<u>\$535,244</u>

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
UNAUDITED
(Continued)**

For 2006, net assets of the District's governmental activities decreased \$59,851. For 2006, total governmental expenditures of \$607,860 were partially offset by program revenues of \$138,202 and general revenue of \$409,807. Program revenues supported 23% of the total governmental expenses.

For 2007, net assets of the District's governmental activities decreased \$33,972. For 2007, total governmental expenditures of \$699,412 were partially offset by program revenues of \$249,766 and general revenue of \$415,674. Program revenues supported 36% of the total governmental expenses.

The primary source of revenue for governmental activities is derived from property tax receipts. These revenue sources represent 43% of total governmental revenue for 2007 and 51% of total governmental revenue for 2006.

Salaries expenses totaled \$165,920 or 24% of total governmental expenses for fiscal year 2007 and \$160,349 or 26% of total governmental expenses for 2006. These disbursements represent the overhead costs of running the District.

Governmental Activities

The Statement of Activities shows the cost of program services and charges for services and sales, operating grants and contributions, and capital grants and contributions offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2007, 2006 and 2005. That is, it identifies the cost of these services supported by property and local taxes and grants and entitlements not restricted to specific programs.

	Total Cost Of Services 2007	Net Cost of Services 2007	Total Cost Of Services 2006	Net Cost of Services 2006	Total Cost Of Services 2005	Net Cost of Services 2005
Salaries	\$165,920	(\$165,920)	\$160,349	(\$160,349)	\$154,225	(\$154,225)
Supplies	52,353	(18,222)	46,545	12,362	51,162	(1,294)
Material	3,146	(3,146)	4,021	(4,021)	3,943	(3,943)
Equipment	79,932	(78,902)	53,133	(53,133)	15,854	(15,854)
Contract Repair	1,353	(1,353)	4,621	(4,621)	1,912	(1,912)
Contract Services	44,689	(44,689)	59,722	(59,722)	50,547	(50,547)
Advertising & Printing	417	(417)	1,337	(1,337)	1,666	(1,666)
Travel	2,900	(2,900)	1,798	(1,798)	4,702	(4,702)
PERS	22,688	(22,688)	25,071	(25,071)	20,646	(20,646)
Workers Comp	2,866	(2,866)	2,698	(2,698)	2,444	(2,444)
Other	2,930	(2,930)	3,053	(3,053)	8,271	(8,271)
Medicare / Hospitalization	54,243	(54,243)	51,032	(51,032)	49,123	(49,123)
Capital Outlay	248,684	(34,079)	186,630	(107,335)	28,336	(15,807)
Auditor's Fees	8,213	(8,213)	7,850	(7,850)	8,924	(8,924)
PERS Delinquent	9,078	(9,078)				
Total Governmental Activities	\$699,412	(\$449,646)	\$607,860	(\$469,658)	\$401,755	(\$339,358)

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
UNAUDITED
(Continued)**

The District's Funds

The District's governmental funds reported a combined fund balance of \$475,393 for 2006, which is \$59,851 less than the 2005 total of \$535,244. The District's governmental funds reported a combined fund balance of \$441,421 for 2007, which is \$33,972 less than the 2006 total. The schedules below indicates the fund balance and the total change in fund balance as of December 31, 2007, 2006 and 2005.

(Table 4)

Governmental Fund Balances

	Fund Balance, December 31		Increase	Change
	2007	2006	(Decrease)	
General	\$83,382	\$83,528	(\$146)	-0.17%
Capital Improvement and Development Fund	53,517	12,875	40,642	315.67%
Capital Development Trust Fund	247,572	308,190	(60,618)	-19.67%
Capital Replacement Fund	16,328	31,824	(15,496)	-48.69%
Other Governmental	40,622	38,976	1,646	4.22%
Total Fund Balance	\$441,421	\$475,393	(\$33,972)	-7.15%

	Fund Balance, December 31		Increase	Change
	2006	2005	(Decrease)	
General	\$83,528	\$63,043	\$20,485	32.49%
Capital Improvement and Development Fund	12,875	87,405	(74,530)	-85.27%
Capital Development Trust Fund	308,190	294,903	13,287	4.51%
Capital Replacement Fund	31,824	52,403	(20,579)	-39.27%
Other Governmental	38,976	37,490	1,486	3.96%
Total Fund Balance	\$475,393	\$535,244	(\$59,851)	-11.18%

General Fund Budgeting Highlights

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

During 2007, the District amended its General Fund budget as needed. Final budgeted receipts including other financing sources of \$432,603 reflect an increase of \$35,372 from the original budgeted amount of \$397,231. This was the result of higher than anticipated intergovernmental and lease revenues. The difference between final budgeted receipts and actual receipts was \$0.

For 2007, final disbursements and other financing uses were budgeted at \$432,749 while actual amounts were the same at \$432,749. The final budgeted, expenditures of \$432,749 exceeded the original budgeted expenditures of \$375,365 by \$57,384 which is the result of an additional transfer of \$30,000 into the Replacement Fund and increased salary expenditures.

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
UNAUDITED
(Continued)**

During 2006, the District amended its General Fund budget as needed. Final budgeted receipts of \$450,206 reflect an increase of \$30,266 from the original budgeted amount of \$419,940. This was the result of higher than anticipated intergovernmental and property and other local taxes revenues. The difference between final budgeted receipts and actual receipts was \$0.

For 2006, final disbursements and other financing uses were budgeted at \$429,721 while actual amounts were the same at \$429,721. The final budgeted expenditures of \$429,721 exceeded the original budgeted expenditures of \$420,358 by \$9,363 or 2%.

Capital Assets and Debt Administration

Capital Assets

The District does not include capital assets on its financial statements under the cash basis of accounting.

Debt

The District had no outstanding debt at December 31, 2007 or December 31, 2006.

Current Issues

The costs of health care, salaries and supplies are rising while the undivided local government taxes are fading out. This is putting a stress on the yearly receipts. However, the real estate of the county is being reassessed possibly providing more revenue. The real estate tax collections have increased providing some offset of the lost revenues. The Park District receives the majority of its funding from property taxes, state and federal grants and charges for services (park fees). The District employs five full time employees, one full year part time employee, 3-4 seasonal employees and 10-15 recreational seasonal employees. The Board periodically reviews park fees to help offset the costs of park operations.

Contacting the District's Financial Management

This financial report is designed to provide the citizens of Gallia County with a general overview of the District's finances and to reflect the District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Amy Bowman-Moore, Director, O.O. McIntyre Park District, 18 Locust Street, Gallipolis, Ohio 45631.

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O.O. McIntyre Park District, Gallia County

Statement of Net Assets - Cash Basis

December 31, 2007

	<u>Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$441,421</u>
<i>Total Assets</i>	<u><u>\$441,421</u></u>
Net Assets	
Restricted for:	
Capital Projects	\$358,039
Unrestricted	<u>83,382</u>
<i>Total Net Assets</i>	<u><u>\$441,421</u></u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2007

	General Fund	Capital Improvement and Development Fund	Capital Replacement Fund	Capital Development Trust Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Cash Equivalents	\$83,382	\$53,517	\$16,328	\$247,572	\$40,622	\$441,421
<i>Total Assets</i>	<u>\$83,382</u>	<u>\$53,517</u>	<u>\$16,328</u>	<u>\$247,572</u>	<u>\$40,622</u>	<u>\$441,421</u>
Fund Balances						
Unreserved:						
Undesignated (Deficit), Reported in:						
General Fund	\$83,382					\$83,382
Capital Projects Funds		\$53,517	\$16,328	\$247,572	\$40,622	\$358,039
<i>Total Fund Balances</i>	<u>\$83,382</u>	<u>\$53,517</u>	<u>\$16,328</u>	<u>\$247,572</u>	<u>\$40,622</u>	<u>\$441,421</u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2007

	General Fund	Capital Improvement and Development Fund	Capital Replacement Fund	Capital Development Trust Fund	Other Governmental Funds	Total Governmental Funds
Receipts						
Property and Other Local Taxes	\$285,326	\$	\$	\$	\$	\$285,326
Fees	27,362					27,362
Sales & Rentals	1,963		1,030			2,993
Gifts & Donations	4,756			50		4,806
Intergovernmental	100,209	52,983		157,929	3,692	314,813
Interest	3,686	2,246	1,453	10,737	1,646	19,768
Lease	6,941					6,941
Miscellaneous	2,360			1,071		3,431
<i>Total Receipts</i>	<u>432,603</u>	<u>55,229</u>	<u>2,483</u>	<u>169,787</u>	<u>5,338</u>	<u>665,440</u>
Disbursements						
Current:						
Salaries	165,920					165,920
Supplies	52,353					52,353
Material	3,146					3,146
Equipment	1,953		77,979			79,932
Contract Repair	1,353					1,353
Contract Services	44,689					44,689
Advertising & Printing	417					417
Travel	2,900					2,900
PERS	22,688					22,688
Workers Comp	2,866					2,866
Other	2,930					2,930
Medicare / Hospitalization	54,243					54,243
Capital Outlay		14,587		230,405	3,692	248,684
Auditor's Fees	8,213					8,213
PERS Delinquent	9,078					9,078
<i>Total Disbursements</i>	<u>372,749</u>	<u>14,587</u>	<u>77,979</u>	<u>230,405</u>	<u>3,692</u>	<u>699,412</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>59,854</u>	<u>40,642</u>	<u>(75,496)</u>	<u>(60,618)</u>	<u>1,646</u>	<u>(33,972)</u>
Other Financing Sources (Uses)						
Transfers In			60,000			60,000
Transfers Out	(60,000)					(60,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(60,000)</u>	<u>0</u>	<u>60,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(146)	40,642	(15,496)	(60,618)	1,646	(33,972)
<i>Fund Balances Beginning of Year</i>	<u>83,528</u>	<u>12,875</u>	<u>31,824</u>	<u>308,190</u>	<u>38,976</u>	<u>475,393</u>
<i>Fund Balances End of Year</i>	<u>\$83,382</u>	<u>\$53,517</u>	<u>\$16,328</u>	<u>\$247,572</u>	<u>\$40,622</u>	<u>\$441,421</u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
General Fund
For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$284,950	\$285,326	\$285,326	\$0
Fees	27,000	27,362	27,362	0
Sales & Rentals	1,500	1,963	1,963	0
Gifts & Donations	3,500	4,756	4,756	0
Intergovernmental	76,481	100,209	100,209	0
Interest	1,200	3,686	3,686	0
Lease	0	6,941	6,941	0
Miscellaneous	2,600	2,360	2,360	0
<i>Total Receipts</i>	397,231	432,603	432,603	0
Disbursements				
Current:				
Salaries	144,701	165,920	165,920	0
Supplies	45,000	52,353	52,353	0
Material	6,000	3,146	3,146	0
Equipment	2,000	1,953	1,953	0
Contract Repair	2,500	1,353	1,353	0
Contract Services	48,000	44,689	44,689	0
Advertising & Printing	2,000	417	417	0
Travel	3,000	2,900	2,900	0
PERS	20,752	22,688	22,688	0
Workers Comp	2,750	2,866	2,866	0
Other	3,000	2,930	2,930	0
Medicare / Hospitalization	53,662	54,243	54,243	0
Capital Outlay	500	0	0	0
Auditor's Fees	8,500	8,213	8,213	0
PERS Delinquent	3,000	9,078	9,078	0
<i>Total Disbursements</i>	345,365	372,749	372,749	0
<i>Excess of Receipts Over (Under) Disbursements</i>	51,866	59,854	59,854	0
Other Financing Sources (Uses)				
Transfers Out	(30,000)	(60,000)	(60,000)	0
<i>Total Other Financing Sources (Uses)</i>	(30,000)	(60,000)	(60,000)	0
<i>Net Change in Fund Balance</i>	21,866	(146)	(146)	0
<i>Fund Balance Beginning of Year</i>	83,528	83,528	83,528	0
<i>Fund Balance End of Year</i>	\$105,394	\$83,382	\$83,382	\$0

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County

Statement of Net Assets - Cash Basis

December 31, 2006

	<u>Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$475,393</u>
<i>Total Assets</i>	<u><u>\$475,393</u></u>
Net Assets	
Restricted for:	
Capital Projects	\$391,865
Unrestricted	<u>83,528</u>
<i>Total Net Assets</i>	<u><u>\$475,393</u></u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County

*Statement of Activities - Cash Basis
For the Year Ended December 31, 2006*

	Program Cash Receipts				Net (Disbursements) Receipts and Changes in Net Assets
	Cash Disbursements	Charges for Services & Sales	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities
Governmental Activities					
Salaries	\$160,349	\$	\$	\$	(\$160,349)
Supplies	46,545	29,134	29,773		12,362
Material	4,021				(4,021)
Equipment	53,133				(53,133)
Contract Repair	4,621				(4,621)
Contract Services	59,722				(59,722)
Advertising & Printing	1,337				(1,337)
Travel	1,798				(1,798)
PERS	25,071				(25,071)
Workers Comp	2,698				(2,698)
Other	3,053				(3,053)
Medicare / Hospitalization	51,032				(51,032)
Capital Outlay	186,630			79,295	(107,335)
Auditor's Fees	7,850				(7,850)
<i>Total Governmental Activities</i>	<u>\$607,860</u>	<u>\$29,134</u>	<u>\$29,773</u>	<u>\$79,295</u>	<u>(\$469,658)</u>
		General Receipts			
		Property and Other Local Taxes			282,151
		Grants and Entitlements not Restricted to Specific Programs			105,424
		Interest			20,503
		Miscellaneous			1,729
		<i>Total General Receipts</i>			<u>409,807</u>
		Change in Net Assets			(59,851)
		<i>Net Assets Beginning of Year</i>			<u>535,244</u>
		<i>Net Assets End of Year</i>			<u>\$475,393</u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County

Statement of Cash Basis Assets and Fund Balances

Governmental Funds

December 31, 2006

	General Fund	Capital Improvement and Development Fund	Capital Replacement Fund	Capital Development Trust Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Cash Equivalents	\$83,528	\$12,875	\$31,824	\$308,190	\$38,976	\$475,393
<i>Total Assets</i>	<u>\$83,528</u>	<u>\$12,875</u>	<u>\$31,824</u>	<u>\$308,190</u>	<u>\$38,976</u>	<u>\$475,393</u>
Fund Balances						
Unreserved:						
Undesignated (Deficit), Reported in:						
General Fund	\$83,528					\$83,528
Capital Projects Funds		\$12,875	\$31,824	\$308,190	\$38,976	391,865
<i>Total Fund Balances</i>	<u>\$83,528</u>	<u>\$12,875</u>	<u>\$31,824</u>	<u>\$308,190</u>	<u>\$38,976</u>	<u>\$475,393</u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
 Governmental Funds
 For the Year Ended December 31, 2006

	General Fund	Capital Improvement and Development Fund	Capital Replacement Fund	Capital Development Trust Fund	Other Governmental Funds	Total Governmental Funds
Receipts						
Property and Other Local Taxes	\$282,151	\$	\$	\$	\$	\$282,151
Fees	26,580					26,580
Sales & Rentals	2,554					2,554
Gifts & Donations	3,080					3,080
Intergovernmental	132,117	45,495			33,800	211,412
Interest	3,556	2,208	1,527	11,726	1,486	20,503
Miscellaneous	168			1,561		1,729
<i>Total Receipts</i>	<u>450,206</u>	<u>47,703</u>	<u>1,527</u>	<u>13,287</u>	<u>35,286</u>	<u>548,009</u>
Disbursements						
Current:						
Salaries	160,349					160,349
Supplies	46,545					46,545
Material	4,021					4,021
Equipment	1,027		52,106			53,133
Contract Repair	4,621					4,621
Contract Services	58,359	1,363				59,722
Advertising & Printing	1,337					1,337
Travel	1,798					1,798
PERS	25,071					25,071
Workers Comp	2,698					2,698
Other	3,053					3,053
Medicare / Hospitalization	51,032					51,032
Capital Outlay	31,960	120,870			33,800	186,630
Auditor's Fees	7,850					7,850
<i>Total Disbursements</i>	<u>399,721</u>	<u>122,233</u>	<u>52,106</u>	<u>0</u>	<u>33,800</u>	<u>607,860</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>50,485</u>	<u>(74,530)</u>	<u>(50,579)</u>	<u>13,287</u>	<u>1,486</u>	<u>(59,851)</u>
Other Financing Sources (Uses)						
Transfers In			30,000			30,000
Transfers Out	(30,000)					(30,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(30,000)</u>	<u>0</u>	<u>30,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	20,485	(74,530)	(20,579)	13,287	1,486	(59,851)
<i>Fund Balances Beginning of Year</i>	<u>63,043</u>	<u>87,405</u>	<u>52,403</u>	<u>294,903</u>	<u>37,490</u>	<u>535,244</u>
<i>Fund Balances End of Year</i>	<u>\$83,528</u>	<u>\$12,875</u>	<u>\$31,824</u>	<u>\$308,190</u>	<u>\$38,976</u>	<u>\$475,393</u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
General Fund
For the Year Ended December 31, 2006

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$273,468	\$282,151	\$282,151	\$0
Fees	22,000	26,580	26,580	0
Sales & Rentals	300	2,554	2,554	0
Gifts & Donations	1,500	3,080	3,080	0
Intergovernmental	116,172	132,117	132,117	0
Interest	500	3,556	3,556	0
Miscellaneous	6,000	168	168	0
<i>Total Receipts</i>	<u>419,940</u>	<u>450,206</u>	<u>450,206</u>	<u>0</u>
Disbursements				
Current:				
Salaries	154,922	160,349	160,349	0
Supplies	34,860	46,545	46,545	0
Material	6,400	4,021	4,021	0
Equipment	2,400	1,027	1,027	0
Contract Repair	1,000	4,621	4,621	0
Contract Services	69,428	58,359	58,359	0
Advertising & Printing	345	1,337	1,337	0
Travel	1,000	1,798	1,798	0
PERS	20,857	25,071	25,071	0
Workers Comp	3,523	2,698	2,698	0
Other	1,700	3,053	3,053	0
Medicare / Hospitalization	56,423	51,032	51,032	0
Capital Outlay	28,000	31,960	31,960	0
Auditor's Fees	9,500	7,850	7,850	0
<i>Total Disbursements</i>	<u>390,358</u>	<u>399,721</u>	<u>399,721</u>	<u>0</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>29,582</u>	<u>50,485</u>	<u>50,485</u>	<u>0</u>
Other Financing Sources (Uses)				
Transfers Out	(30,000)	(30,000)	(30,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(418)	20,485	20,485	0
<i>Fund Balance Beginning of Year - Restated</i>	<u>61,599</u>	<u>61,599</u>	<u>61,599</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>1,444</u>	<u>1,444</u>	<u>1,444</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$62,625</u></u>	<u><u>\$83,528</u></u>	<u><u>\$83,528</u></u>	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

Note 1 – Reporting Entity

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

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

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. The District acquires lands for conversion into forest reserves and for the conservation of the natural resources, including streams, lakes, submerged lands and swamp lands. The Board may also create parks, parkways, and other reservations and may afforest, develop, improve and protect and promote the use of same as the Board deems conducive to the general welfare.

The Gallia County Auditor acts as fiscal agent for the District, and the Gallia County Treasurer acts as custodian of all funds.

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

B. Component Units

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 support to, the organization; or the District is obligated for the debt of the organization. The District is also financially accountable for any organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the District, are accessible to the District and are significant in amount to the District. The District has no component units.

Note 2 – Summary of Significant Accounting Policies

As discussed further in Note 2 C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the most significant of the District's accounting policies.

O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

A. Basis of Presentation

The District's basic financial statements consist of government-wide financial statements, including a statement of net assets 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 assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government. The statements show those activities of the District that are governmental. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net assets presents the cash balance of the governmental activities of the District at year end. The statement of activities compares disbursements with program receipts for each of the District's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the District is responsible. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the District's general receipts.

Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds 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. Major funds are presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

B. Fund Accounting

The District uses fund accounting 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. Funds are used to segregate resources that are restricted as to use.

Governmental Funds

The District classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The District's major governmental funds are the General Fund, the Capital Improvement and Development Fund, the Capital Replacement Fund and the Capital Development Trust Fund. The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio. The Capital Improvement and Development Fund is used to account for receipts that are used for construction of major capital projects partially or fully funded by state or federal grants. The Capital Development Trust Fund receives donations, interest and revenue from easements and leases. These monies are used to finance capital improvements for the District and for land acquisition. The Capital Replacement Fund receives revenues from donations, interest and transfers from the General Fund and is used to provide funding for capital and equipment replacement needs. The other governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose.

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting

The District's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

D. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, 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 amount the District may appropriate.

The appropriations ordinance is the District's authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the District. The legal level of control has been established at the object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the District. 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 on the budgetary statements reflect the amounts on the amended certificated of estimated resources in effect at the time final appropriations were passed by the District.

The appropriations ordinance 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 ordinance 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 District during the year.

E. Cash

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

Individual fund integrity is maintained through District records. Interest in the pool is presented as "Cash and Cash Equivalents".

Following Ohio statutes, interest is allocated to the District's funds. Interest receipts credited to the General Fund during fiscal year 2007 and 2006 were \$3,686 and \$3,556, respectively, and \$16,082 and \$16,947, respectively, was credited to other District funds.

O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

F. Restricted Assets

Cash and cash equivalents are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. The District has no restricted assets.

G. Capital Assets

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

H. Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the District's cash basis of accounting.

I. Employer Contributions to Cost-Sharing Pension Plans

The District recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. As described in Notes 8 and 9, the employer contributions include portions for pension benefits and for postretirement health care benefits.

J. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for grants for specific purposes. Net assets restricted for capital projects include resources restricted for specific projects.

The District's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

K. Fund Balance Reserves

The District reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved and undesignated fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances.

L. Interfund Transactions

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 3 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statements of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis presented for the General Fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference(s) between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to \$0 for the General Fund for 2007 and 2006, respectively. There were no encumbrances outstanding in the Capital Improvement and Development Fund, the Capital Replacement Fund, or the Capital Development Trust Fund.

Note 4 – Deposits

The Gallia County Treasurer maintains a cash pool used by all funds, including those of the District. The Ohio Revised Code prescribes allowable deposits. The District's carrying amount of cash on deposit with the County at December 31, 2007 and December 31, 2006 was \$441,421 and \$475,393, respectively. The Gallia County Treasurer, as fiscal agent for the District, is responsible for maintaining adequate depository collateral for all funds in the County's pooled and deposit accounts.

Note 5 – Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the District. Real property tax receipts received in 2007 and 2006 represent the collection of 2006 and 2005 taxes, respectively. Real property taxes received in 2007 and 2006 were levied after October 1, 2006 and 2005, on the assessed values as of January 1, 2006 and 2005, the lien dates. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax receipts received in 2007 and 2006 represent the collection of 2006 and 2005 taxes. Public utility real and tangible personal property taxes received in 2007 and 2006 became a lien on December 31, 2005 and 2004, were levied after October 1, 2006 and 2005, and are collected in 2007 and 2006 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax receipts received in 2007 and 2006 (other than public utility property) represent the collection of 2007 and 2006 taxes. Tangible personal property taxes received in 2007 and 2006 were levied after October 1, 2006 and 2005, on the true value as of December 31, 2006 and 2005. In prior years, tangible personal property was assessed at 25 percent of true value for capital assets and 23 percent for inventory. The tangible personal property tax is being phased out – the assessment percentages for all property including inventory for 2007 and 2006 was 12.5 percent and 18.75 percent, respectively. This will be reduced to 6.25 percent for 2008 and zero for 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 5 – Property Taxes (Continued)

The County Treasurer collects property taxes on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portion of the taxes collected.

The full tax rate for all District operations for the years ended December 31, 2007 and 2006, was 0.5 mills. The assessed values of real property, public utility property, and tangible personal property upon which property tax receipts were based are as follows:

	2007	2006
Real Property		
Agricultural	\$79,022,520	\$80,188,550
Residential	221,850,040	218,739,390
Commercial/Industrial/Mineral	<u>113,018,130</u>	<u>112,313,370</u>
Tangible Personal Property	<u>\$413,890,690</u>	<u>\$411,241,310</u>
Public Utility		
Real	\$159,885,530	\$154,435,130
Personal	<u>34,161,870</u>	<u>44,222,395</u>
Total Assessed Value	<u>\$607,938,090</u>	<u>\$609,898,835</u>

Note 6 – Interfund Transfers

The following transfers were made during 2007:

From:	To:	Amount
General Fund	Capital Replacement Fund	\$60,000

The following transfers were made during 2006:

From:	To:	Amount
General Fund	Capital Replacement Fund	\$30,000

The transfers to the Replacement Fund represent monies to be used for the purchase of replacement equipment.

Note 7 – Risk Management

The District is exposed to various risks of loss related to torts, theft or damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The Park District is covered under Gallia County's insurance policy with County Risk Sharing Authority (CORSA), a jointly governed organization, for liability, property, and crime insurance. The CORA program has a \$2,500 deductible.

Health and life insurance are also available for District employees through Gallia County.

**O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 8 – Defined Benefit Pension Plans

The District participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

For the years ended December 31, 2007 and 2006, the members of all three plans, except those in law enforcement participating in the traditional plan, were required to contribute 9.5 and 9 percent, of their annual covered salaries, respectively. The District's contribution rate for pension benefits for 2007 and 2006 was 13.85 percent and 13.7 percent, respectively. The Ohio Revised Code provides statutory authority for member and employer contributions.

Note 9 - Postemployment Benefits

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and qualified survivor benefit recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2007 and 2006 local government employer contribution rates were 13.85 and 13.7 percent of covered payroll respectively. For 2006, 4.5 percent of covered payroll was the portion that was used to fund health care. For 2007, the rate was 5 percent for January 1, 2007 to June 30, 2007 and 6 percent for July 1, 2007 to December 31, 2007.

Benefits are advance-funded using the entry age actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2005, include a rate of return on investments of 6.5 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees), and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care costs were assumed to increase between 0.50 and 6.00 percent annually for the next nine years and 4.00 percent annually after nine years.

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12 percent corridor.

O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)

Note 9 - Postemployment Benefits (Continued)

The number of active contributing participants in the traditional and combined plans was 369,214. The number of active contributing participants for both plans used in the December 31, 2005, actuarial valuation was 358,804. Actual employer contributions for 2007 and 2006 which were used to fund postemployment benefits were \$9,007 and \$7,181, respectively. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for the payment of benefits at December 31, 2005 (the latest information available), were \$11.1 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$31.3 billion and \$20.2 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. To improve the solvency of the Health Care Fund, OPERS created a separate investment pool for health care assets. Member and employer contribution rates increased as of January 1, 2006, and January 1, 2007, which will allow additional funds to be allocated to the health care plan.

Note 10 – Contingent Liabilities

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 11 – Restatement of Beginning Balances

The January 1, 2006 General Fund Budget Basis balance was restated as follows:

Fund	December 31, 2005 Balance	Restated January 1, 2006 Balance	Restatement
General	\$60,943	\$61,599	(\$656)

This restatement was due to encumbered funds returned on March 31, 2006.



Mary Taylor, CPA

Auditor of State

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

O.O. McIntyre Park District
Gallia County
Gallia County Courthouse
18 Locust Street, Room 1262
Gallipolis, Ohio 45631-1262

To the Board of Park District Commissioners:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of O.O. McIntyre Park District, Gallia County, Ohio (the District), as of and for the years ended December 31, 2007 and 2006, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 19, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the District's management in a separate letter dated December 19, 2008.

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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, providing an opinion 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 noncompliance or other matters that we reported to the District's management in a separate letter dated December 19, 2008.

We intend this report solely for the information and use of management and the Board of Commissioners. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

December 19, 2008



Mary Taylor, CPA
Auditor of State

O.O. MCINTYRE PARK DISTRICT

GALLIA 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
JANUARY 6, 2009**