

HAMILTON COUNTY PARK DISTRICT
CINCINNATI, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2003
Prepared by the Administration Division

JACK L. SUTTON
Director

NANCY S. MONTAGUE
Administration Director

DONALD A. RUDLER
Treasurer



**Auditor of State
Betty Montgomery**

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

We have reviewed the Independent Auditor's Report of the Hamilton County Park District, Hamilton County, prepared by BKD LLP, for the audit period January 1, 2003 through December 31, 2003. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

June 18, 2004

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**HAMILTON COUNTY PARK DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2003**

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INTRODUCTORY SECTION

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Board of Park Commissioners:

NANCY R. HAMANT • ROBERT A. GOERING • JAMES E. BUSHMAN

Director JACK SUTTON

May 11, 2004

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

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the Hamilton County Park District (hereafter, also referred to as the "Park District"). This report conforms to Accounting Principles Generally Accepted in the United States of America (GAAP) in accordance with implementation of Government Accounting Standards Board (GASB) Statement No. 34 and provides full and complete disclosure of the financial position and operations of the Park District for the year ended December 31, 2003. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Park District management. To the best of our knowledge, the following data is accurate in all material respects and is reported in a manner designed to fairly present the financial position of the entity as a whole and results of operations of the various funds of the Park District. All necessary financial disclosures have been included to enable the reader to gain an understanding of the Park District's financial activities.

Report Presentation

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

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

The CAFR is presented in three sections: Introductory, Financial and Statistical. The introductory section includes this transmittal letter, the Government Finance Officers Association (GFOA) Certificate of Achievement, our organizational chart, and a list of principal officials. The financial section includes the Report of Independent Accountants, Management's Discussion and Analysis, the basic financial statements, notes, the required supplementary information, combining statements and the individual fund budget-to-actual schedules. GASB Statement 34 requires that management provide a narrative introduction, overview, and analysis of the basic financial statements, the Management's Discussion and Analysis. This letter of transmittal is designed to complement the Management's Discussion and Analysis letter and should be read in conjunction with it. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

MISSION STATEMENT

"To preserve and protect natural resources and to provide outdoor recreation and education in order to enhance the quality of life for present and future generations."

Reporting Entity

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

The Board of Park Commissioners appoints a Director who is also the Chief Executive Officer. The Director is responsible for executing policy of the Park Board. Since 1930, the Park District has acquired and conserved over 14,950 acres of parkland and open space, including eighteen parks and nature preserves protected and 990 acres of conservative easements.

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

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

County Structure, Local Economic Conditions and Outlook

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

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

The County of Hamilton’s average unemployment rate for 2002 was 4.0%. During 2002, the County maintained an average labor force of 442,600, of which 424,700 were employed. Fifty-four percent (54%) of the U.S. population is within one hour’s flight time and the Metropolitan Area is within 600 miles of 53% of the nation’s purchasing power and 54% of the nation’s manufacturing establishments.

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

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

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

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

For further information regarding Hamilton County, see Statistical Section.

Major Initiatives 2003

In 2003 the Park District received increased receipts of nearly \$6 million dollars due to the 15 year one mill replacement levy approved in 2002 by voters of Hamilton County.

The Park District acquired 361 acres of new park land in 2003 using Clean Ohio Conservation Program Fund of \$502,000, cash for land donation of \$306,000 and internally provided cash of \$1,800,000. No debt was incurred in connection with these additions.

In 2003, the Park District announced the ForEverGreen Conservation Program, a new partnership program for protecting greenspace. The ForEverGreen Conservation Program is guided by this vision statement: "To preserve greenspace throughout Hamilton County through cooperative agreements in order to conserve natural resources and enhance biodiversity in areas such as woodlands, forests, grasslands, prairies, hillsides, stream corridors and floodplains." The Hamilton County Park District has established the ForEverGreen Conservation Program Fund using a portion of its Land Acquisition budget. Up to \$7.5 million will be set aside during the next 15 years (2003-2017) to fund the ForEverGreen Conservation Program.

Outleases and Proposed Transfers under the ForEverGreen Conservation Program in 2003:

- Seaver: 1 acre leased to the City of Cleves
- Wegman 34 acres preserved in collaboration with Green Township
- Agape: 11 acres to be transferred to the Cincinnati Park Board (CPB)
- Hensley Land: 14 acres to be transferred to CPB
- Motz: 65 acres to be leased to CPB
- Fulton: 11 acres to be transferred to Delhi Township
- Jansen: 29 acres to be transferred to Delhi Township

Total greenspace preserved through ForEverGreen: 165 acres.

Financial Information

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

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

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

Items to be purchased costing under \$500 do not require a formal bid. Purchases over \$500 but under \$15,000 must have specifications prepared and be bid out. Purchases exceeding \$15,000 must be legally bid out under Ohio Revised Code Sections 307.88 and 307.89 or acquired through the State of Ohio purchasing program.

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

Internal Controls

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

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

The concept of a reasonable assurance recognizes that:

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

All internal control evaluations occur within the above framework. The Park District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Initial responsibility for budgetary control rests with individual departments.

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

The Accounting Department conducts internal cash audits at park locations. During 2003, 86 such audits were performed. Bank reconciliations are completed by accounting personnel not authorized to sign checks.

Capital Project Fund

Capital projects outlays totaled \$8 million financed by \$7 million transfer from general fund and opening fund balance. There was no debt incurred to finance Park District improvements. The Enterprise Fund finances its own improvements.

Mitchell Fund

In 2003, stock market increases resulted in an unrealized portfolio gain of \$620,000. This amount is shown as income along with interest and dividends received.

Enterprise Fund

In 2003, nearly \$990,000 of positive cash flow was provided by the Golf, Fishing, Boating, Riding Center, Food Service operations and sale of Golf Merchandise. Over \$580,000 was used for Enterprise capital improvements.

Cash Management

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

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

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

Risk Management

The Park District provides training and safety equipment to its employees in order to control risks of injury. The Park District also maintains comprehensive coverage from private insurance carriers for property, appointed officials, ranger liability, boilers, crime and general liability. The annual premium approximates \$260,000. Further information relating to insurance is presented in the Statistical Section.

Independent Audit

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

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Park District for its comprehensive annual financial report for the fiscal year ended December 31, 2002. This was the fifth year the Park District received this prestigious award. In order to be awarded a Certificate of Achievement, the Park District published an easy-to-read, efficiently-organized comprehensive annual financial report. This report satisfies both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

Acknowledgements

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

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



Jack Sutton, Director



Donald Rudler, CPA, Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to
Hamilton County Park District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2002

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

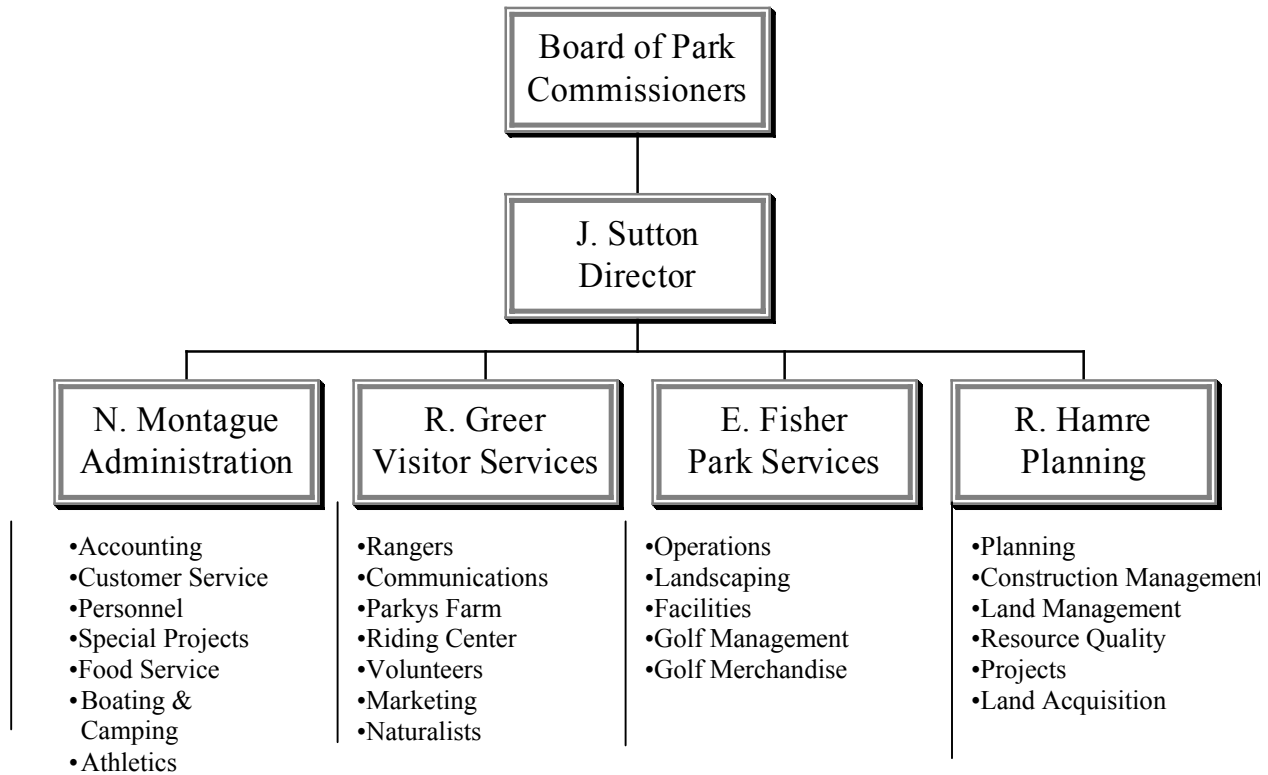


Edward Henry
President

Jeffrey R. Enos
Executive Director

HAMILTON COUNTY PARK DISTRICT

2003 Organizational Chart



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

DECEMBER 31, 2003

ELECTED OFFICIAL

HAMILTON COUNTY PROBATE JUDGE

HONORABLE JUDGE JAMES C. CISELL
TERM EXPIRES FEBRUARY 2009

APPOINTED BY PROBATE JUDGE

BOARD OF PARK COMMISSIONERS

TERM EXPIRES

NANCY R. HAMANT	PRESIDENT	DECEMBER 31, 2004
ROBERT A. GOERING, SR.	VICE-PRESIDENT	DECEMBER 31, 2005
JAMES E. BUSHMAN	VICE-PRESIDENT	DECEMBER 31, 2006

APPOINTED BY THE BOARD OF PARK COMMISSIONERS

DIRECTOR

JACK L. SUTTON

DIVISION DIRECTORS

VISITOR SERVICES - RICHARD A. GREER
PARK SERVICES - EDWARD A. FISHER
ADMINISTRATION - NANCY S. MONTAGUE
PLANNING - ROSS HAMRE

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**FINANCIAL
SECTION**

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Independent Accountants' Report on Financial Statements and Supplementary Information

Board of Park Commissioners
Hamilton County Park District
Cincinnati, Ohio

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hamilton County Park District as of and for the year ended December 31, 2003, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Park District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hamilton County Park District as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2004, on our consideration of the Park District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Hamilton County Park District's basic financial statements. The accompanying other supplementary information and other budgetary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information and other budgetary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We did not audit the information included in the introductory and statistical sections as listed in the table of contents, and accordingly, we do not express an opinion on it.

BKD, LLP

Cincinnati, Ohio
May 11, 2004

Management's Discussion and Analysis (Unaudited)

Our discussion and analysis of Hamilton County Park District's (Park District) financial performance provides an overview of the Park District's financial activities for the fiscal year ended December 31, 2003. Please read it in conjunction with the Park District's basic financial statements.

FINANCIAL HIGHLIGHTS

- The Park District's net assets increased \$5,277,242 as a result of this year's operations. Net assets of our business-type activities decreased by \$(688,409) and net assets of our governmental activities increased by \$5,965,651.
- Total cost of all of the Park District's programs was \$27,109,915 in 2003.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this annual report consists of four parts - management's discussion and analysis (this section), the basic financial statements, required supplementary information, and an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the Park District:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Park District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Park District's government, reporting the Park District's operations in more detail than the government-wide statements.
 - The Governmental Funds statements describe how general government services were financed in the short term as well as what remains for future spending.
 - Proprietary Fund statements offer short- and long-term financial information about the activities the government operates like businesses, such as the golf course operation, and food service.

The financial statements also include notes that explain some of the information in the basic financial statements and provide more detailed data. The basic financial statements are followed by a section of required supplementary information that further explains and supports the information in the basic financial statements. In addition to these required elements, we have included a section with combining statements that provides details about our nonmajor governmental funds as well as additional budgetary information.

Government-wide Statements

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

The two government-wide statements report the Park District's net assets and how they have changed. Net assets, the difference between the Park District's assets and liabilities, is one way to measure the Park District's financial health, or position.

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

The government-wide financial statements of the Park District are divided into two categories:

- Governmental activities - The Park District's provided services are included here such as general administration, public safety, maintenance and visitors services. Most of these services are financed by property taxes and charges for services.
- Business-type activities - The Park District charges fees to customers for golf, fishing and boating, riding center, food service, merchandise and athletic programs to cover the cost of services it provides.

Fund Financial Statements

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

- Some funds are required by State law and by reporting in accordance with accounting principles generally accepted in the United States of America (GAAP).
- The Board of Park Commissioners establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The Park District has two kinds of funds:

Governmental funds: Most of the Park District's basic services 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 readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Park District's general government operations and the basic services it provides. Governmental fund information helps the reader evaluate whether there are adequate financial resources to finance the Park District's programs. The relationship (or differences) between governmental activities (reported in the *Statement of Net Assets* and the *Statement of Activities*) and governmental funds (reported in the *Balance Sheet* and *Statement of Revenues, Expenses and changes in Fund Balance*) is described in a reconciliation between these financial statements.

Proprietary fund: When the Park District charges customers for the cost of the services it provides to outside customers of the Park District, these services are reported in the proprietary fund. Proprietary funds are reported in the same way that all activities are reported in the *Statement of Net Assets* and the *Statement of Activities*. In fact, the Park District's Proprietary Fund is the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows.

THE PARK DISTRICT AS A WHOLE

The Park District's total governmental assets increased \$5,277,242 from a year ago, increasing from \$82,945,162 to \$88,222,404. Looking at the net assets and net expenses of governmental and business-type activities separately. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the Park District's governmental and business-type activities.

Table 1 – Net Assets

	Governmental		Business-type		Total	
	2003	2002	2003	2002	2003	2002
Current Assets	\$ 26,757,145	\$ 28,052,912	\$ 1,247,836	\$ 710,126	\$ 28,004,981	\$ 28,763,038
Capital Assets	67,515,880	61,292,853	13,793,040	14,751,479	81,308,920	76,044,332
Total Assets	94,273,025	89,345,765	15,040,876	15,461,605	109,313,901	104,807,370
Current Liabilities	20,220,367	20,909,723	213,263	369,138	20,433,630	28,763,038
Long term Liabilities	657,867	583,347			657,867	583,347
Internal Balances	(3,112,175)	(2,688,620)	3,112,175	2,688,620		
Total Liabilities	17,766,059	18,804,450	3,325,438	3,057,758	21,091,497	21,862,208
Net Assets						
Invested in Capital Assets						
Net of Related Debt	67,515,880	61,292,853	13,793,040	14,751,479	81,308,920	76,044,332
Restricted	7,927,867	10,507,215			7,927,867	10,507,215
Unrestricted (deficit)	1,063,219	(1,258,753)	(2,077,602)	(2,347,632)	(1,014,383)	(3,606,385)
Total Net Assets	76,506,966	\$ 70,541,315	\$ 11,715,438	\$ 12,403,847	\$ 88,222,404	\$ 82,945,162

Table 2 – Change in Net Assets

	Governmental		Business-type		Total	
	2003	2002	2003	2002	2003	2002
Revenues						
Charge for service	\$ 1,803,834	\$ 1,528,470	\$ 10,424,252	\$ 10,615,654	\$ 12,228,086	12,144,124
Taxes	18,149,004	12,791,479			18,149,004	12,791,479
Investment income (loss)	913,744	(332,516)			913,744	(332,516)
Grants and contributions	810,153	1,691,815			810,153	1,691,815
Miscellaneous	286,170	443,535			286,170	443,535
Total Revenue	21,962,905	16,122,783	10,424,252	10,615,654	32,387,157	26,738,437
Expenses						
Parks and recreation	15,997,254	13,631,846			15,997,254	13,631,846
Operating costs			11,112,661	10,940,921	11,112,661	10,940,921
Total expenses	15,997,254	13,631,846	11,112,661	10,940,921	27,109,915	24,572,767
Increase (decrease) in net assets	\$ 5,965,651	\$ 2,490,937	\$ (688,409)	\$ (325,267)	\$ 5,277,242	\$ 2,165,670

Net assets of the Park District's governmental activities increased by 8.4% (\$76,506,966 at December 31, 2003 compared to \$70,541,315 at December 31, 2002). This increase of \$5,965,651 resulted from increases in property tax of \$5,357,000 and increases in fair value of the investments of \$767,000 due to a partial stock market recovery. Unrestricted net assets increased from (\$1,258,753 deficit) at December 31, 2002 to \$1,063,219 at December 31, 2003.

Restricted net assets, those restricted for capital projects, land acquisition and certain facilities renovation decreased by \$2,579,358, (\$7,927,867 at December 31, 2003, from \$10,507,215 at December 31, 2002). Investment in capital assets, with no related debt increased by \$6,223,027. This was possible because positive cash generated was reinvested in mission related property and equipment.

The net assets of our business-type activities decreased by 5.5% (\$11,715,438 at December 31, 2003 compared to \$12,403,847 at December 31, 2002). The net decrease in business assets (\$688,409) resulted from less usage by the public. Golf rounds decreased from 314,000 (2002) to 299,000 (2003), boat rentals decreased from 36,000 in 2002 to 32,000 in 2003, and visitor center attendance decreased from 207,000 in 2002 to 176,000 in 2003. These decreases appear to be due to unfavorable weather conditions in the peak season and decline in economic activity. By Board resolution, net assets may be transferred to reduce deficiency in governmental activities.

Financial Ratios

The following Financial Ratios should be used to assess the financial stability of the Park District over an extended period of time.

The Ratios of Working Capital and Days Cash and Investment in Reserve demonstrate the continuing ability to finance operations with cash.

“Working capital” is the amount by which current assets exceed current liabilities. The “Current Ratio”, which compares current assets to current liabilities, is an indicator of the ability to pay current obligations.

Working Capital	2003	2002
Entity Wide Summary	\$ 7,571,351	\$ 7,484,177
Governmental	6,536,778	7,046,354
Business type	1,034,573	437,823
Current Ratio		
Entity Wide Summary	1.36	1.30
Governmental	1.32	1.33
Business-type	5.85	2.19

Days Cash and Investments in reserve represents the number of days normal operations could continue with no reserve collection.

Days Cash & Investment	2003	2002
Entity Wide Summary	128	150
Governmental	195	261
Business type	32	12

Liabilities to Net Assets indicates extent of borrowing.

Liabilities to Net Assets	2003	2002
Entity Wide Summary	23%	29%
Governmental	23%	30%
Business types	28%	25%

Return on Assets from operations illustrates to what extent there will be sufficient funds to replace assets in the future.

Return on Assets	2003	2002
Entity Wide Summary	6%	2%
Governmental	8%	3%
Business types	(5%)	(2%)

GENERAL GOVERNMENT FUNCTIONS BY INDIVIDUAL FUND

The following schedules present individual governmental funds revenues and the percentage of total for the year ended December 31, 2003 and December 31, 2002 as well as the expenditures and the percentage of total for the year ended December 31, 2003 and December 31, 2002.

General Fund

Revenue Source	2003		2002		Increase (Decrease) from 2002	Percent Increase (Decrease)
	Amount	Percent of Total	Amount	Percent Of Total		
Taxes	\$ 18,149,004	75%	\$ 12,791,479	65%	\$ 5,357,525	42%
Motor vehicle permits	795,486	3	792,443	4	3,043	-
Charges for service	4,418,386	18	4,127,174	21	291,212	7
Fines and damage	13,517	-	12,018	1	1,499	12
Donations and grants	501,961	2	1,215,932	6	(713,971)	(58)
Investment income	55,526	1	87,408	1	(31,882)	(36)
Miscellaneous	281,062	1	438,884	2	(157,822)	(35)
	<u>\$ 24,214,942</u>	<u>100%</u>	<u>\$ 19,465,338</u>	<u>100%</u>	<u>\$ 4,749,604</u>	<u>24</u>

Property taxes are a major source of revenue for general governmental and account for 75% of general government revenue. They are represented by 1.0 mill voted levy which will expire in 2016 and a .03 mill non voted levy. In 2003 the Park District realized the first full year of the new levy. Charges for service (programs, gift shop sales, interfund charges) increased \$291,212, a seven percent increase. Revenue from grants decreased \$713,971, compared to the very successful receipts in 2002. Investment income decreased due to the continuing reduction of prime rates.

The following schedule presents a summary of General Fund, expenditures and the percentage of the total for the years ended December 31, 2003 as well as December 31, 2002.

Expenditures	2003		2002		Increase (Decrease) from 2002	Percent Increase (Decrease)
	Amount	Percent of Total	Amount	Percent of Total		
General government	\$ 1,749,042	10%	\$ 1,501,348	10%	\$ 247,694	16%
Public safety	3,676,543	22	2,973,577	20	702,966	24
Operation and maintenance	7,502,413	47	7,041,843	48	460,570	7
Land management	285,006	2	239,858	2	45,148	19
Resource quality	160,931	1	156,165	1	4,766	3
Naturalist	1,316,173	8	819,400	6	496,773	60
Communication	506,695	3	502,256	3	4,439	
Visitor's service	1,483,482	9	1,566,185	10	(82,703)	5
Total expenditures	<u>\$ 16,680,285</u>	<u>100%</u>	<u>\$ 14,800,632</u>	<u>100%</u>	<u>\$ 1,879,653</u>	<u>13</u>

Expenditures for public safety increased \$702,000 due to the ongoing safety emphasis in public areas and a shift of certain responsibilities from visitor's service. Naturalist expenses increased due largely to increased staff salaries and fringes.

Capital Project Funds

Revenue Source	2003		2002		Increase (Decrease) from 2002	Percent Increase (Decrease)
	Amount	Percent of Total	Amount	Percent of Total		
Transfers In	\$ 7,000,000	100%	\$ 4,500,000	100%	\$ 2,500,000	56%
Total Revenue	<u>\$ 7,000,000</u>	<u>100%</u>	<u>\$ 4,500,000</u>	<u>100%</u>	<u>\$ 2,500,000</u>	<u>56</u>
Expenditures						
Capital Outlay	\$ 8,024,277	100%	\$ 3,930,944	100%	\$ 4,093,333	104
Total expenditures	<u>\$ 8,024,277</u>	<u>100%</u>	<u>\$ 3,930,944</u>	<u>100%</u>	<u>\$ 4,093,333</u>	<u>104</u>

This year's major additions included:

Glenwood Garden Improvements	\$ 1,392,000
Little Miami Property 65 Acres	827,000
Little Miami Bike Trail	1,235,000
Miami Whitewater Shaker Trace Trail	250,000
Sharon Woods Bridge	675,000
Northside Woods 26 Acres	334,000
Narrow Park 40 Acres	199,000
Richardson Park 136 Acres	899,000
Conservation Easements	732,000

The Park District's 2004 capital budget anticipates a spending level of \$5,850,000 with no plans to borrow outside the organization for this capital. More information about the Park District's capital assets is presented in Note 8 to the Basic Financial Statements.

Mitchell Fund

Revenue Source	2003		2002		Increase (Decrease)	Percent Increase (Decrease)
	Amount	Percent of Total	Amount	Percent of Total		
Investment (loss)	\$ 688,352	100%	\$ (680,344)	100%	\$ 1,368,696	201%
Total Revenue	\$ 688,352	100%	\$ (680,344)	100%	\$ 1,368,696	201
Expenditures						
Maintenance	\$ 166,717	100%	\$ 378,363	30%	\$ (211,646)	55
Total expenditures	\$ 166,717	100%	\$ 378,363	100%	\$ (211,646)	55

The investment increase resulted from investment income \$72,000 and market gain on portfolio of \$616,000, compared to investment income of \$73,660 and a market loss of \$754,000 in 2002.

Other Funds

Revenue Source	2003		2002		Increase (Decrease)	Percent Increase (Decrease)
	Amount	Percent of Total	Amount	Percent of Total		
Donation	\$ 189,657	39%	\$ 308,883	32%	\$ (119,226)	(39)%
Grants	118,535	25	394,116	41	(275,581)	(70)
Investment income	169,866	35	260,420	27	(90,554)	(35)
Miscellaneous	5,108	1	4,651	-	457	9
Total Revenue	\$ 483,166	100%	\$ 968,070	100%	\$ (484,904)	50
Expenditures						
Miscellaneous	\$ 698,037	100%	\$ 663,118	100%	\$ 34,919	5
Total expenditures	\$ 698,037	100%	\$ 663,118	100%	\$ 34,919	5

Donations decreased \$119,000, primarily due to a weak economy. Grants decreased due to one time projects undertaken in 2002, related to the repair and rebuilding of a damaged bridge in Sharon Woods. Investment income in 2002 (\$260,000) included gain on sale of stock \$142,000. There were no stock sales in 2003.

Proprietary Funds

The Park District enterprise fund includes operating golf courses, fishing and boating locations, a riding center, numerous food service facilities including banquet locations, golf pro shops and several ball fields and soccer fields.

User fees are reviewed on a yearly basis and changes are recommended to the Board of Park Commissioners for approval.

Proprietary Funds

	2003	2002
Total assets	\$ 15,040,876	\$ 15,558,440
Net assets	11,715,438	12,403,847
Net income (loss) (change in net assets)	(688,409)	(325,267)
Return on Ending		
Total assets	(5%)	(2%)
Return on ending		
Net assets	(6%)	(3%)

Capital Assets

At the end of 2003, the Park District has \$81,308,920 invested in a broad range of capital assets including land, building and equipment. See table below. This amount represents a net increase of \$5,264,588 or 7% over last year.

	Governmental		Business-type		Total	
	Activities		Activities			
	2003	2002	2003	2002	2003	2002
Land	\$ 49,275,947	\$ 45,638,234	\$ 2,579,126	\$ 2,579,126	\$ 51,855,073	\$ 48,217,360
Building	12,729,292	12,239,593	3,930,985	4,188,485	16,660,277	16,428,078
Improvements			6,499,356	6,828,138	6,499,356	6,828,138
Equipment	1,354,413	1,337,366	783,573	1,155,730	2,137,986	2,493,096
Infrastructure	4,156,228	2,077,660			4,156,228	2,077,660
	<u>\$ 67,515,880</u>	<u>\$ 61,292,853</u>	<u>\$ 13,793,040</u>	<u>\$ 14,751,479</u>	<u>\$ 81,308,920</u>	<u>\$ 76,044,332</u>

Governmental Activities

During 2003 the Park District acquired over 361 acres of new land and easements at a cost of \$3,800,000 which will be preserved as greenspace or added to public use facilities. No loans were made in connection with the acquisitions since cash was generated from operations and the Park District received grants. Capital assets used in governmental activities are depreciated. Depreciation expense for 2003 was \$1,818,247, and is included in Parks and Recreation expenses on Statement of Activities.

Buildings and Improvements decreased \$96,000 due to additions \$1,319,000 less current years depreciation \$1,415,000. Equipment likewise decreased \$355,000 due to additions of \$1,888,000 less disposals \$961,000 and depreciation \$1,274,000.

Because of requirements of GASB 34, infrastructures must be reported retroactively since 1980. The Park District began reporting for years as follows:

	Cost	Depreciation
2001	\$ 1,834,831	\$ 126,434
2002	524,092	154,829
2003	2,329,508	250,940
	<u>\$ 4,688,431</u>	<u>\$ 532,203</u>

Acquisitions and related depreciation prior to 2001 will be retroactively reported by 2006.

Business Activities

Capital assets used in business type activities have previously been depreciated. Depreciation expense for 2003 was \$1,542,992 and is reported in Statement of Revenues, Expenses and Changes in Net Assets, Proprietary Fund. The carrying value of building declined solely because of net depreciation \$257,500. Building improvements increased by additions \$138,000 and offset by net depreciation \$466,000. Equipment net additions were \$236,000 but net depreciation was \$608,000, producing a reduction in carrying value of \$372,000.

BUDGETARY VARIANCES

General Fund

General fund budgeted tax revenue amount is supplied by Hamilton County auditor, who collects and forwards Park District taxes. Budgeted charges for services were based on prior year; however less user service charges amounting to \$351,531 for programs, special events required revised budgeted reductions. Ongoing oversight on expenses provided \$750,000 positive variance. Because of these increases, transfers into general fund were not necessary. Capital Projects required less transfers from general fund to meet budgeted expenses. There were no significant variations between original budgeted general fund expenditures and revised budget.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Park District is a special purpose government operating under the authority of Chapter 1545 of the Ohio Revised Code, providing park and recreation opportunities to the citizens of Hamilton County, as well as adjoining counties, Northern Kentucky and Southeastern Indiana. Hamilton County is experiencing an increasing unemployment rate (from 2.9% in 2000 to 4.0% in 2003.) Park usage has declined, noticeably in rounds of golf (314,000 in 2002 to 299,000 in 2003). These declines in 2002 were primarily due to unfavorable weather conditions and decline in economic activity.

However, a recently passed tax levy has increased revenue by \$5.5 million dollars beginning in 2003 and budgeted expenses have increased accordingly. Arrangements with surrounding governments provides sharing of new park properties and maintenance and operation of other parks and green spaces.

The Park District continues to add and update computerization to provide better service to park users and more timely, useful information to management.

CONTACTING THE PARK DISTRICT'S FINANCIAL MANAGEMENT

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

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HAMILTON COUNTY PARK DISTRICT
Statement of Net Assets
December 31, 2003

	Governmental Activities	Business-type Activities	Total
Assets			
Current assets			
Cash and cash equivalents.....	\$ 4,457,599	\$ 965,895	\$ 5,423,494
Investments	4,088,059		4,088,059
Receivables			
Accounts.....	9,894		9,894
Intergovernmental	891		891
Taxes	18,064,000		18,064,000
Inventories.....		281,941	281,941
Prepays and other	136,702		136,702
Total current assets.....	<u>26,757,145</u>	<u>1,247,836</u>	<u>28,004,981</u>
Non current assets			
Nondepreciable capital assets.....	45,235,234	2,579,126	47,814,360
Depreciable capital assets, net.....	22,280,646	11,213,914	33,494,560
Total assets.....	<u>94,273,025</u>	<u>15,040,876</u>	<u>109,313,901</u>
Liabilities			
Current liabilities			
Accounts payable and accrued expense	1,231,011	114,489	1,345,500
Deferred revenue	18,064,000		18,064,000
Due other governments	140,772	30,435	171,207
Compensated absences.....	784,584	68,339	852,923
Total current liabilities.....	<u>20,220,367</u>	<u>213,263</u>	<u>20,433,630</u>
Long term liabilities	657,867		657,867
Internal balances.....	(3,112,175)	3,112,175	
Total liabilities.....	<u>17,766,059</u>	<u>3,325,438</u>	<u>21,091,497</u>
Net Assets			
Invested in capital assets	67,515,880	13,793,040	81,308,920
Restricted for:			
Capital projects.....	2,773,624		2,773,624
Special Revenue Funds	5,154,243		5,154,243
Unrestricted (deficit)	1,063,219	(2,077,602)	(1,014,383)
Total net assets.....	<u>\$ 76,506,966</u>	<u>\$ 11,715,438</u>	<u>\$ 88,222,404</u>

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Statement of Activities
For the Year Ended December 31, 2003

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Parks and Recreation	\$ 15,997,254	\$ 1,803,834	\$ 197,251	\$ 612,902
Business-Type Activities				
Golf Courses	5,181,776	5,822,127		
Fishing and Boating	1,220,219	934,487		
Riding Center	304,094	230,615		
Food Service	2,731,702	2,190,145		
Golf Merchandise	961,573	1,017,979		
Athletics	386,876	228,899		
Recreation Management	326,421			
Total Business-Type Activities	11,112,661	10,424,252		
Total Government.....	\$ 27,109,915	\$ 12,228,086	\$ 197,251	\$ 612,902

General Revenues

Taxes
Investment gain
Miscellaneous
Total general revenues

Change in Net Assets

Net Assets, Beginning of Year

Net Assets, Ending of Year

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Primary Business-Type Activities	Total
\$ (13,383,267)	\$	\$ (13,383,267)
	640,351	640,351
	(285,732)	(285,732)
	(73,479)	(73,479)
	(541,557)	(541,557)
	56,406	56,406
	(157,977)	(157,977)
	(326,421)	(326,421)
	(688,409)	(688,409)
(13,383,267)	(688,409)	(14,071,676)
18,149,004		18,149,004
913,744		913,744
286,170		286,170
19,348,918		19,348,918
5,965,651	(688,409)	5,277,242
70,541,315	12,403,847	82,945,162
\$ 76,506,966	\$ 11,715,438	\$ 88,222,404

HAMILTON COUNTY PARK DISTRICT
Balance Sheet
Governmental Funds
December 31, 2003

	General Fund	Capital Projects Fund	Mitchell Trust Fund	Other Funds	Total Governmental Funds
Assets					
Cash and cash equivalents.....	\$ 1,039,376	\$ 770,351	\$ 207,299	\$ 2,440,573	\$ 4,457,599
Investments			3,005,360	1,082,699	4,088,059
Receivables					
Accounts.....	9,894				9,894
Intergovernmental	891				891
Taxes	18,064,000				18,064,000
Due from other funds	879,849	3,406,998			4,286,847
Other assets	136,702				136,702
Total assets.....	\$ 20,130,712	\$ 4,177,349	\$ 3,212,659	\$ 3,523,272	\$ 31,043,992
Liabilities					
Accounts payable	\$ 263,884	\$ 282,247	\$ 218	\$ 157,863	\$ 704,212
Accrued salaries payable.....	376,430	29,985	1,149		407,564
Deferred revenue	18,064,000				18,064,000
Retainage payable		119,235			119,235
Due to other funds	621,543		553,129		1,174,672
Due other government agencies	125,148	12,405	3,219		140,772
Compensated absences.....	682,943	101,641			784,584
Total liabilities.....	20,133,948	545,513	557,715	157,863	21,395,039
Fund Balances (Deficit)					
Reserved for					
Encumbrances	862,874	858,212			1,721,086
Unreserved					
General Fund.....	(866,110)				(866,110)
Capital Projects Fund		2,773,624			2,773,624
Special Revenue Funds			2,654,944	3,365,409	6,020,353
Total fund balances (deficit)	(3,236)	3,631,836	2,654,944	3,365,409	9,648,953
Total liabilities and fund balances.....	\$ 20,130,712	\$ 4,177,349	\$ 3,212,659	\$ 3,523,272	\$ 31,043,992

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Reconciliation of Total Governmental Funds
Balance to Net Assets of Governmental Activities
December 31, 2003

Total Governmental Funds Balance	\$ 9,648,953
<i>Amounts reported for Governmental Activities in the Statement of Net Assets are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	67,515,880
Long term liabilities are not due and payable in the current period and therefore are not recorded in the funds	<u>(657,867)</u>
Net Assets of Governmental Activities	<u>\$ 76,506,966</u>

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended December 31, 2003

	General Fund	Capital Projects Fund	Mitchell Trust Fund	Other Funds	Total Governmental Funds
Revenues					
Taxes	\$ 18,149,004	\$	\$	\$	\$ 18,149,004
Motor Vehicle Permits	795,486				795,486
Charges for Service	4,418,386				4,418,386
Fines and Damage	13,517				13,517
Donations and Grants	501,961			308,192	810,153
Investment Income	55,526		688,352	169,866	913,744
Miscellaneous	281,062			5,108	286,170
Total revenue	24,214,942		688,352	483,166	25,386,460
Expenditures					
Current:					
General Government	1,749,042				1,749,042
Public Safety	3,676,543				3,676,543
Operation and Maintenance	5,963,207		166,717	698,037	6,827,961
Land Management	285,006				285,006
Resource Quality	160,931				160,931
Naturalist	1,316,173				1,316,173
Communication	506,695				506,695
Visitor Services	1,483,482				1,483,482
Facilities	1,539,206				1,539,206
Capital Outlay		8,024,277			8,024,277
Total expenditures	16,680,285	8,024,277	166,717	698,037	25,569,316
Excess (deficiency) of revenues over expenditures	7,534,657	(8,024,277)	521,635	(214,871)	(182,856)
Other financing sources (uses)					
Transfers in	159,335	7,000,000	1,564	20,258	7,181,157
Transfers out	(7,021,822)			(159,335)	(7,181,157)
Total other financing sources (uses)	(6,862,487)	7,000,000	1,564	(139,077)	-
Net change in fund balance	672,170	(1,024,277)	523,199	(353,948)	(182,856)
Fund Balances (Deficit), Beginning of Year					
	(675,406)	4,656,113	2,131,745	3,719,357	9,831,809
Fund Balances (Deficit), End of Year	\$ (3,236)	\$ 3,631,836	\$ 2,654,944	\$ 3,365,409	\$ 9,648,953

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
December 31, 2003

Net Change in Fund Balances Total Governmental funds \$ (182,856)

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and not expensed. This is the amount by which such capitalization increased net assets of governmental activities. 6,223,027

Change in long term liabilities (compensated absences) not reported as expenditures in governmental funds. (74,520)

Change in Net Assets-Governmental Activities \$ 5,965,651

HAMILTON COUNTY PARK DISTRICT
Statement of Net Assets
Proprietary Fund
December 31, 2003

	Enterprise Fund
Assets	
Current Assets	
Cash and cash equivalents	\$ 965,895
Inventories	281,941
Total current assets	1,247,836
Property and Equipment	
Land	2,579,126
Buildings and improvements	19,575,704
Equipment	4,355,756
	26,510,586
Less accumulated depreciation	12,717,546
Net property and equipment	13,793,040
Total assets	15,040,876
Liabilities	
Current Liabilities	
Accounts payable	42,530
Accrued salaries payable	71,959
Due to other funds	3,112,175
Due other government agencies	30,435
Compensated Absences	68,339
Total current liabilities	3,325,438
Net Assets	
Invested in capital assets	13,793,040
Unrestricted	(2,077,602)
Total net assets	\$ 11,715,438

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Fund
For the year ended December 31, 2003

	Enterprise Fund
Operating Revenues	
Charges for Sales and Service	\$ 10,424,252
Total operating revenues	10,424,252
Operating Expenses	
Costs of Sales and Services	8,543,167
Administration	1,236,293
Depreciation.....	1,333,201
Total operating expense	11,112,661
Change in Net Assets	(688,409)
Total Net Assets, Beginning of Year	12,403,847
Total Net Assets, End of Year	\$ 11,715,438

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT
Statement of Cash Flows
Proprietary Fund
For the year ended December 31, 2003

	Enterprise Fund
Cash Flows from Operating Activities	
Receipts from customers	\$ 10,424,252
Paid to vendors.....	(2,249,591)
Paid to employees	(4,184,911)
Payments to other funds	(3,000,000)
	989,750
Cash Flows From Capital and Related Financing Activities	
Payments for Capital Acquisition, Net of Disposals.....	(374,762)
	(374,762)
Increase in Cash and Cash Equivalents	614,988
Cash and Cash Equivalents, Beginning of Year	350,907
Cash and Cash Equivalents, End of Year	\$ 965,895
Reconciliation of Change in Net Assets to Net Cash Provided by Operating Activities:	
Change in net assets	\$ (688,409)
Adjustment for items not requiring cash for operating activities:	
Depreciation.....	1,333,201
Changes in Assets and Liabilities	
Inventories	77,278
Accounts payable	(71,262)
Accrued salaries payable.....	(2,414)
Interfund payables.....	423,555
Due other governments	(46,729)
Compensated absences.....	(35,470)
	989,750
Net Cash Provided by Operating Activities	\$ 989,750

SEE ACCOMPANYING NOTES TO BASIC FINANCIAL STATEMENTS.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Description of Hamilton County Park District

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

The Board of Park Commissioners appoints a Director who is also the Chief Executive Officer. The Director is responsible for executing policy of the Park Board. Since 1930, the Park District has acquired and conserved over 14,900 acres of parkland, including eighteen parks and nature preserves. The Park District adopted the following mission statement “to preserve and protect natural resources and to provide outdoor recreation and education in order to enhance the quality of life for present and future generations”. Listed below are the names and locations of the parks and nature preserves owned and for management by the Park District.

- Embshoff Woods & Nature Preserve - Paul Road, off Mt. Alverno Road between Delhi Pike and Route 50, Cincinnati and Delhi Township - 332 acres.
- Farbach Werner Nature Preserve - Poole Road and Colerain Avenue, Colerain Township - 22 acres.
- Lake Isabella - Loveland-Madeira Road at I-275, Loveland-Indian Hill exit, Symmes Township - 77 acres.
- Little Miami Golf Center - Newtown Road between Route 50 and Route 32, Newtown, Anderson and Columbia Townships - 410 acres. (Includes Little Miami Golf Center, Bass Island, Avoca Park.)
- Miami Whitewater Forest - Harrison Pike, off I-74 at Dry Fork Road exit, Crosby, Harrison and Whitewater Townships - 4,411 acres.
- Mitchell Memorial Forest - Buffalo Ridge Road off Zion Road and East Miami River Road, Miami Township - 1,344 acres.
- Richardson Forest Preserve - Off Colerain Avenue between Kemper Road and Lick Road, Colerain Township - 401 acres.
- Sharon Woods - Route 42, south of I-275, Sharonville - 734 acres.
- Shawnee Lookout - South of Route 50 at Cleves, entrance off Lawrenceburg Road, Miami Township - 1,311 acres.

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

- Triple Creek - Buell Road and Pippin Road, north of I-275, Colerain Township – 177 acres.
- Winton Woods - Winton Road, south of I-275, Forest Park, Greenhills, Woodlawn and Springfield Township - 2,468 acres.
- Withrow Nature Preserve - Five Mile Road, between I-275 and Route 52, Anderson Township - 270 acres.
- Woodland Mound - Old Kellogg Avenue, between Eight and Nine Mile Roads, Anderson Township and Pierce Township, Clermont County - 1012 acres.
- Kroger Hills - Off Wooster Pike, between Newtown and Terrace Park, Indian Hill and Columbia Township - 214 acres. Under 30-year lease from Ohio Department of Natural Resources, expiring 2008 with additional 30-year option.
- Newberry Wildlife Sanctuary - West of I-275, near Sheits and Springdale Roads, Colerain Township - 99 acres.
- W.M. Johnson Hills Park - Bridle Road, Anderson Township, leased to Anderson Park District – 45 acres.
- Oak Glen Nature Preserve - Colerain Township, 109 acres.
- Glenwood Gardens - Springfield Pike and Glendale Milford Road, 335 acres.
- Broadwell Woods - Broadwell Road, east of Newtown, 68 acres.
- Anderson Township - Forestville, I-275 and Asbury Road, 6 acres.
- I-74 Greenway – I-74 east of Race Road, 1 acre.
- Spieker Park - 4390 Overton Avenue, Green Township, 26 acres.
- Francis RecreAcres – Sharonville, 26 acres.
- Northside Woods – Suburban Cincinnati, 26 acres.
- Narrows Park – Delhi Township, 40 acres.
- North Bend Tunnel - North Bend Ohio, 1 acre.

Total Acreage:	13,965 acres
Conservation Easements:	<u>994 acres</u>
Grand Total:	<u>14,959 acres</u>

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

B. Reporting Entity

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

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

C. Basic Financial Statements – Government Wide Statements

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

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

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

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

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

D. Basic Financial Statements – Fund Financial Statements

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

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

The following fund types are used by the Park District:

1. Governmental Funds

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

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

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

2. Proprietary Funds

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

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

E. Basis of Accounting

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

1. Accrual

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

2. Modified Accrual

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

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

F. Pooled Cash and Cash Equivalents

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

G. Investments

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

H. Inventories

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

I. Capital Assets

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

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

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

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

Capital assets for the business-type activities (Enterprise Fund) in excess of \$1,000 are recorded at historical cost. Depreciation is charged as an expense against operations and capital assets are recorded net of accumulated depreciation on the *Statement of Net Assets*. See Note 8 for accumulated depreciation by asset class.

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

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

J. Compensated Absences

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

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

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

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

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

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

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

Sick Leave - accumulates at the rate of 4.6 hours every 80 hours worked with a maximum of 15 days per year. There is no maximum accumulation. It is to be used as needed and approved. Upon retirement or termination, an employee with 10 years or more of active service may receive a one-time payment. The payment is computed at one hour pay for each two hours of accrued sick leave but limited to accrued sick leave up to a maximum of 720 hours. At December 31, 2003 the Park District recorded a liability for sick leave totaling \$583,373 in accordance with GASB Statement No. 16, whereby sick leave is expended and accrued only for probable retirees in the upcoming three years.

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

K. Long Term Obligations

Long-term obligations for vested sick leave, vacation and comp time and any claims or judgements are shown in the Statement of Net Assets.

L. Inter-Fund Transactions

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

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

M. Use of Restricted/Unrestricted Net Assets

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

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 2. Change in Accounting Principle

In 2003 the Park District adopted the provisions of Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures*, by retroactively restating prior year's financial statements. This new standard revises the existing requirements regarding disclosure of custodial credit risk and establishes requirements for disclosures regarding credit risk, concentration of credit risk, interest rate risk and foreign currency risk. Adoption of GASBS 40 had no effect on the net assets and change in net assets in the prior or current year.

Note 3. Deposits, Investments and Investment Return

Deposits

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

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

At December 31, 2003, \$2,498,242 of the Park District's bank balances of \$2,598,242 were exposed to custodial credit risk as these deposits were uninsured and collateral held was in other than the Park District's name.

Investments

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

At December 31, 2003 and 2002 the Park District had the following investments and maturities:

Type	<u>2003</u>	<u>2002</u>
Money Market mutual funds	\$ 3,050	\$ —
Corporate Stocks	<u>4,088,059</u>	<u>3,320,266</u>
	<u>\$ 4,091,109</u>	<u>\$ 3,320,266</u>

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

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

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

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

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

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

Summary of Carrying Values

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

Carrying value	
Deposits	\$ 5,423,454
Investments	<u>4,088,059</u>
	<u>\$ 9,511,513</u>
Included in the following statement of net assets	
captions	
Cash and cash equivalents	\$ 5,423,454
Corporate stock	<u>4,088,059</u>
	<u>\$ 9,511,513</u>

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Investment Income

Investment Income for the year ended December 31, 2003 consisted of:

Interest and dividend income	\$ 145,951
Net increase in fair value of investments	<u>767,793</u>
	<u>\$ 913,744</u>

Note 4. Property Tax Revenues

Property taxes include amounts levied against real, public utility and tangible (used in business) property. The assessed value upon which the 2003 tax collection was based follows: (Amounts in 000's.)

Real Property –2002 Valuation	
Residential/Agricultural	\$ 11,388,562
Commercial/Industrial/Public Utilities	4,700,136
Tangible Personal Property – 2003 Valuation	
General	1,712,460
Public Utilities	<u>743,825</u>
Total Valuation	<u>\$ 18,544,983</u>

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

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

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 4. Property Tax Revenues (continued)

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

The Park District property tax is generated from two sources. The first is an unvoted .03 mill levy granted annually by the Hamilton County Commissioners. The second is a replacement levy of 1.0 mill which is scheduled to expire in 2016. The current 1.0 mill levy was cancelled for 2003. The new levy is not subject to a reduction factor.

Note 5. Operating Lease

The Park District leases various park properties, land and water, over varying periods. None of the agreements contain unusual renewal or purchase options. The Park District is responsible for preservation and maintenance of the properties. Future minimum rental payments under operating leases are \$1 per year for 2003 to 2009.

The Park District leases certain undeveloped land to another park district for a term of 50 years at no charge.

Note 6. Defined Benefit Plans

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

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

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Pension Contributions - Employer and employee required contributions to PERS are established under Chapter 742 of the Ohio Revised Code and are based on percentages of covered employees' gross salaries. Contribution rates are calculated annually by the PERS actuaries. Contribution rates for calendar year 2003 were as follows:

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

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

<u>For the Year Ended</u> <u>December 31</u>	<u>Employer's Contribution</u> <u>for Regular</u> <u>Employees</u>	<u>Employer's Contribution</u> <u>for Law Enforcement</u> <u>Employees</u>
2003	\$ 926,451	\$ 258,775
2002	894,110	245,166
2001	862,934	229,950

Other Post-employment Benefits - All age and service retirees with 10 or more years of service credit qualify for healthcare coverage under PERS. Healthcare coverage for disability recipients and primary survivor recipients is also available. Chapter 145, Ohio Revised Code, provides the statutory authority for employer contributions. The employer contribution rate for all employees to fund healthcare is 5% included in the total employee rate (13.55% and 16.70%). Employees do not fund any portion of healthcare costs.

The 2003 actuarially determined employer healthcare contribution requirement paid was:

Regular Employees	\$ 541,784
Law Enforcement Employees	<u>110,587</u>
	<u>\$ 652,371</u>

Note 7. Commitments

The Park District has contractual commitments to various vendors for future supplies and services for the Park District. Determinable amounts are recorded as encumbrances at December 31, 2003, as follows:

General Fund	\$ 862,874
Capital Projects Fund	<u>858,212</u>
	<u>\$ 1,721,086</u>

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

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 8. Capital Assets

A. Governmental Activities - changes in capital assets during the year ended December 31, 2003 is as follows:

	Balance January 1, 2003	Additions	Deletions	Balance December 31, 2003	Less Accumulated Depreciation	Net Book Value
Land	\$ 41,441,221	\$ 3,794,013	\$	\$ 45,235,234	\$	\$ 45,235,234
Land Improvements	4,537,831			4,537,831	497,118	4,040,713
Buildings	20,043,438	1,278,730	50,000	21,272,168	8,542,876	12,729,292
Equipment	4,319,550	667,372	585,936	4,400,986	3,681,891	719,095
Vehicles	2,115,056	767,624	668,951	2,213,729	1,578,411	635,318
Infrastructure	<u>2,358,923</u>	<u>2,329,508</u>	<u></u>	<u>4,688,431</u>	<u>532,203</u>	<u>4,156,228</u>
	<u>\$ 74,816,019</u>	<u>\$ 8,837,247</u>	<u>\$ 1,304,887</u>	<u>\$ 82,348,379</u>	<u>\$ 14,832,499</u>	<u>\$ 67,515,880</u>

B. Changes in Accumulated Depreciation - Governmental Activities for the year ended December 31, 2003 are as follows:

	Balance January 1, 2003	Additions	Deletions	Accumulated Depreciation December 31, 2003
Land Improvements	\$ 340,818	\$ 156,300	\$	\$ 497,118
Buildings	7,803,845	744,029	4,998	8,542,876
Equipment	3,600,775	363,040	281,924	3,681,891
Vehicles	1,496,465	303,938	221,992	1,578,411
Infrastructure	<u>281,263</u>	<u>250,940</u>	<u></u>	<u>532,203</u>
	<u>\$ 13,523,166</u>	<u>\$ 1,818,247</u>	<u>\$ 508,914</u>	<u>\$ 14,832,499</u>

C. Business Activities – Changes in capital assets during the year ended December 31, 2003 are as follows:

	Balance January 1, 2003	Additions	Deletions	Balance December 31, 2003	Less Accumulated Depreciation	Net Book Value
Land	\$ 2,579,126	\$	\$	\$ 2,579,126	\$	\$ 2,579,126
Buildings Building	7,774,901			7,774,901	3,843,916	3,930,985
Improvements	11,710,356	138,048	47,601	11,800,803	5,301,447	6,499,356
Equipment	4,156,659	446,505	501,615	4,101,549	3,355,071	746,478
Vehicles	<u>273,318</u>	<u></u>	<u>19,111</u>	<u>254,207</u>	<u>217,112</u>	<u>37,095</u>
	<u>\$ 26,494,360</u>	<u>\$ 584,553</u>	<u>\$ 568,327</u>	<u>\$ 26,510,586</u>	<u>\$ 12,717,546</u>	<u>\$ 13,793,040</u>

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 8. Capital Assets (continued)

D. Changes in Accumulated Depreciation – Business Activities for the year ended December 31, 2003 is as follows:

	Accumulated Depreciation <u>January 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	Accumulated Depreciation <u>December 31, 2003</u>
Buildings	\$ 3,586,416	\$ 257,500	\$	\$ 3,843,916
Building Improvements	4,882,218	466,830	47,601	5,301,447
Equipment	3,058,406	588,489	291,824	3,355,071
Vehicles	<u>215,841</u>	<u>20,382</u>	<u>19,111</u>	<u>217,112</u>
	<u>\$ 11,742,881</u>	<u>\$ 1,333,201</u>	<u>\$ 358,536</u>	<u>\$ 12,717,546</u>

Note 9. Risk Management

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

Beginning in 2003, the Park District pays into the State of Ohio Bureau of Workers Compensation System at a group rate based on gross salaries. Workers claims are submitted to the State of Ohio for authorization and payment to the injured employee. The Park District has no further risk. The State of Ohio establishes employer payments, employee payments, and adequate reserves. Prior claims will be settled with Hamilton County as they occur, based on a previous arrangement.

Note 10. Long-Term Obligations

A summary of changes in amount to be provided for compensated absences is as follows:

	Balance <u>January 1, 2003</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>December 31, 2003</u>
Due within one year	\$ 643,356	\$ 852,923	\$ 643,356	\$ 852,923
Due after one year	\$ 583,347	\$ 118,036	\$ 43,516	\$ 657,867

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

HAMILTON COUNTY PARK DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

Note 11. Due to/From Other Funds

Individual fund asset and liability balances at December 31, 2003 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Enterprise Fund	\$ 326,720
General Fund	Mitchell Funds	553,129
Capital Project Fund	Enterprise Fund	2,785,455
Capital Project Fund	General Fund	621,543

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

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

OTHER FUND		
Transfers out to General Fund		\$ 159,335
GENERAL FUND		
Transfer out to		
Capital Project Fund		7,000,000
Mitchell Fund		1,564
Other Funds		<u>20,258</u>
Total		<u>\$ 7,181,157</u>
GENERAL FUND		
Transfers in from other funds	\$ 159,335	
MITCHELL FUND		
Transfers in from General Fund	1,564	
CAPITAL PROJECT FUND		
Transfers in from General Fund	7,000,000	
OTHER FUNDS		
Transfers in from General Fund	<u>20,258</u>	
Total	<u>\$ 7,181,157</u>	

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

Note 12. Governmental Activities and Business Activities Unrestricted Net Assets Negative Balances

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

**REQUIRED SUPPLEMENTARY
INFORMATION**

HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2003

	Original <u>Budget</u>	Revised <u>Budget</u>	<u>Actual</u>	Variance Between Actual and Revised <u>Budget</u>
Revenues				
Taxes	\$ 18,064,000	\$ 18,064,000	\$ 18,149,004	\$ 85,004
Motor Vehicle Permits	830,000	830,000	795,485	(34,515)
Charges for Service	4,156,700	3,929,100	3,897,044	(32,056)
Fines and Damage	19,000	19,000	13,688	(5,312)
Interest and Dividends.....	200,000	200,000	55,526	(144,474)
Miscellaneous.....	76,000	198,600	393,004	194,404
Grants	—	1,436,991	501,961	(935,030)
Total Revenue	23,345,700	24,677,691	23,805,712	(871,979)
Expenditures				
General Government	2,477,400	2,708,749	2,516,516	192,233
Public Safety	3,423,600	3,614,955	3,575,929	39,026
Operation and Maintenance	7,377,800	7,534,900	7,395,669	139,231
Land Management.....	296,300	297,600	284,375	13,225
Resource Quality	165,500	168,500	157,225	11,275
Naturalist.....	1,329,900	1,385,422	1,347,117	38,305
Communication	508,500	517,807	501,979	15,828
Visitor Services	2,427,400	2,528,765	1,720,353	808,412
Total Expenditures	18,006,400	18,756,698	17,499,163	1,257,535
Excess of revenues over expenditures	5,339,300	5,920,993	6,306,549	385,556
Other Financing Sources (Uses)				
Transfers in.....	1,915,400	1,915,400		(1,915,400)
Transfers out.....	(7,254,700)	(7,903,042)	(7,021,822)	881,220
Deficiency of revenues and other financing sources over expenditures and other financing uses	-	\$ (66,649)	(715,273)	\$ (648,624)
Fund Balances, Beginning of Year			413,043	
Prior Year Encumbrances			224,100	
Fund Balances, End of Year			\$ (78,130)	

See accompanying notes to required supplementary information.

HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis)
Mitchell Fund
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	Variance Between Actual and <u>Revised Budget</u>
Revenues				
Interest and dividends.....	\$ 166,600	\$ 166,600	\$ 623,852	\$ 457,252
Total Revenue.....	<u>166,600</u>	<u>166,600</u>	<u>623,852</u>	<u>457,252</u>
Expenditures				
Salaries	38,400	38,400	38,103	297
Fringe	6,600	6,600	6,292	308
Supplies	28,000	28,000	13,847	14,153
Utilities	9,300	9,300	6,603	2,697
Miscellaneous.....	5,000	5,000	3,275	1,725
Capital	283,900	298,710	22,704	276,006
Total Expenditures	<u>371,200</u>	<u>386,010</u>	<u>90,824</u>	<u>295,186</u>
Excess (deficiency) of revenues over expenditures	(204,600)	(219,410)	533,028	752,438
Other Financing Sources				
Transfers in.....	4,600	4,600	1,564	(3,036)
Excess (deficiency) of revenue and other financing sources over expenditures	<u>\$ (200,000)</u>	<u>\$ (214,810)</u>	534,592	<u>\$ 749,402</u>
Fund Balance, Beginning of Year			2,938,083	
Fund Balance, End of Year			<u>\$ 3,427,675</u>	

HAMILTON COUNTY PARK DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Process

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

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

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

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

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

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

HAMILTON COUNTY PARK DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Process (continued)

Listed below is a reconciliation of the results of operations for the year ended December 31, 2003 from modified accrual (GAAP) basis to the Non-GAAP budgetary basis.

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

	General <u>Fund</u>	Mitchell <u>Fund</u>
GAAP Basis:	\$ 672,170	\$ 523,199
Adjustments:		
Revenue Accrued	(409,230)	(64,500)
Expenses Accrued	(822,130)	75,893
Encumbrances Change	3,252	
Transfer in	<u>(159,335)</u>	<u>-</u>
Budget Basis:	<u>\$ (715,273)</u>	<u>\$ 534,592</u>

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OTHER SUPPLEMENTARY INFORMATION

HAMILTON COUNTY PARK DISTRICT
Combining Balance Sheet
Non-Major Governmental Funds
For the Year ended December 31, 2003

	<u>Law Enforcement Fund</u>	<u>Law Enforcement and Education Fund</u>	<u>Drug Law Enforcement Fund</u>	<u>Evergreen Fund</u>	<u>Burchenal Fund</u>	<u>Benedict Fund</u>	<u>Total Non Major Governmental Funds</u>
Assets							
Cash and cash equivalents	\$ 7,862	\$ 2,290	\$ 2,286	\$ 1,243,976	\$ 410,926	\$ 773,233	\$ 2,440,573
Investments					1,082,699		1,082,699
Total assets	<u>\$ 7,862</u>	<u>\$ 2,290</u>	<u>\$ 2,286</u>	<u>\$ 1,243,976</u>	<u>\$ 1,493,625</u>	<u>\$ 773,233</u>	<u>\$ 3,523,272</u>
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$	\$	\$	\$ 23,875	\$ 121,488	\$ 12,500	\$ 157,863
Total liabilities				<u>23,875</u>	<u>121,488</u>	<u>12,500</u>	<u>157,863</u>
Fund Balances:							
Unreserved	7,862	2,290	2,286	1,220,101	1,372,137	760,733	3,365,409
Total fund balances	<u>7,862</u>	<u>2,290</u>	<u>2,286</u>	<u>1,220,101</u>	<u>1,372,137</u>	<u>760,733</u>	<u>3,365,409</u>
Total Liabilities and Fund Balances	<u>\$ 7,862</u>	<u>\$ 2,290</u>	<u>\$ 2,286</u>	<u>\$ 1,243,976</u>	<u>\$ 1,493,625</u>	<u>\$ 773,233</u>	<u>\$ 3,523,272</u>

HAMILTON COUNTY PARK DISTRICT
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non Major Governmental Funds
December 31, 2003

	Law Enforcement Fund	Law Enforcement and Education Fund	Drug Law Enforcement Fund	Evergreen Fund	Burchenal Fund	Benedict Fund	Total Non Major Governmental Fund
Revenues							
Donations and grants	\$	\$	\$	\$ 308,192	\$	\$	\$ 308,192
Investment income					169,866		169,866
Miscellaneous		75	5,033				5,108
Total revenue		75	5,033	308,192	169,866		483,166
Expenditures							
Operation and Maintenance	2,000		3,107	353,354	320,726	18,850	698,037
Total expenditures	2,000		3,107	353,354	320,726	18,850	698,037
Excess (Deficiency) of Revenues	(2,000)	75	1,926	(45,162)	(150,860)	(18,850)	(214,871)
Other Financing Sources (Uses)							
Transfers in	62	20	7	10,290	4,209	5,670	20,258
Transfers out				(159,335)			(159,335)
Total other financing sources (uses)	62	20	7	(149,045)	4,209	5,670	(139,077)
Net Change In Fund Balances	(1,938)	95	1,933	(194,207)	(146,651)	(13,180)	(353,948)
Fund Balances, Beginning of Year	9,800	2,195	353	1,414,308	1,518,788	773,913	3,719,357
Fund Balances, End of Year	\$ 7,862	\$ 2,290	\$ 2,286	\$ 1,220,101	\$ 1,372,137	\$ 760,733	\$ 3,365,409

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OTHER BUDGETARY INFORMATION

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GOVERNMENTAL FUNDS

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GENERAL FUND

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

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HAMILTON COUNTY PARK DISTRICT
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis) by Department
General Fund
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	Variance Between Actual and Revised Budget
Revenues				
Taxes	\$ 18,064,000	\$ 18,064,000	\$ 18,149,004	\$ 85,004
Motor Vehicle Permits	830,000	830,000	795,485	(34,515)
Charges for Service	4,156,700	3,929,100	3,897,044	(32,056)
Fines and Damage	19,000	19,000	13,688	(5,312)
Interest and Dividends.....	200,000	200,000	55,526	(144,474)
Miscellaneous.....	76,000	198,600	393,004	194,404
Grants	—	1,436,991	501,961	(935,030)
Total revenue	<u>23,345,700</u>	<u>24,677,691</u>	<u>23,805,712</u>	<u>(871,979)</u>
Expenditures				
Administration Department				
Salaries	1,266,900	1,126,100	1,109,814	16,286
Fringes.....	285,100	299,200	289,500	9,700
Supplies.....	442,000	538,337	502,772	35,565
Insurance Utilities	250,000	235,713	197,630	38,083
Miscellaneous.....	168,900	228,099	164,584	63,515
Capital Outlay	64,500	281,300	252,216	29,084
Total Administration Department	<u>2,477,400</u>	<u>2,708,749</u>	<u>2,516,516</u>	<u>192,233</u>
Safety Department				
Salaries	2,406,500	2,541,900	2,541,871	29
Fringes.....	667,000	710,000	707,416	2,584
Supplies.....	151,300	152,300	147,919	4,381
Insurance Utilities	3,500	4,100	3,894	206
Miscellaneous.....	6,400	5,400	2,253	3,147
Capital Outlay	188,900	201,255	172,576	28,679
Total Safety Department	<u>3,423,600</u>	<u>3,614,955</u>	<u>3,575,929</u>	<u>39,026</u>
Operations Department				
Salaries	3,735,900	3,803,500	3,763,821	39,679
Fringes.....	1,034,400	1,075,400	1,046,854	28,546
Supplies.....	1,185,200	1,196,850	1,151,978	44,872
Insurance Utilities	908,800	908,800	887,363	21,437
Miscellaneous.....	13,600	14,800	10,339	4,461
Capital Outlay	499,000	535,550	535,314	236
Total Operations Department	<u>7,377,800</u>	<u>7,534,900</u>	<u>7,395,669</u>	<u>139,231</u>

(continued)

HAMILTON COUNTY PARK DISTRICT
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis) by Department - continued
General Fund
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	Variance Between Actual and <u>Revised Budget</u>
Land Management Department				
Salaries	\$ 206,800	\$ 208,000	\$ 206,963	\$ 1,037
Fringes.....	57,100	57,200	52,194	5,006
Supplies.....	31,600	31,600	25,058	6,542
Miscellaneous.....	800	800	160	640
Total Land Management Department	296,300	297,600	284,375	13,225
Resource Quality Department				
Salaries	100,900	102,500	98,278	4,222
Fringes.....	30,900	32,400	31,771	629
Supplies.....	21,200	20,200	13,991	6,209
Miscellaneous.....	900	900	707	193
Capital Outlay	11,600	12,500	12,478	22
Total Resource Quality Department	165,500	168,500	157,225	11,275
Naturalist Department				
Salaries	725,800	773,200	773,145	55
Fringes.....	209,100	214,000	213,379	621
Supplies.....	365,000	363,502	332,061	31,441
Miscellaneous.....	30,000	30,100	24,413	5,687
Capital Outlay	-	4,620	4,119	501
Total Naturalist Department	1,329,900	1,385,422	1,347,117	38,305
Communications Department				
Salaries	168,300	174,000	173,944	56
Fringes.....	47,100	49,500	49,389	111
Supplies.....	291,900	292,007	276,393	15,614
Miscellaneous.....	1,200	1,200	1,167	33
Capital Outlay	-	1,100	1,086	14
Total Communications Department	508,500	517,807	501,979	15,828

(continued)

HAMILTON COUNTY PARK DISTRICT
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis) by Department - continued
General Fund
For the Year Ended December 31, 2003

	Original Budget	Revised <u>Budget</u>	<u>Actual</u>	Variance Between Actual and <u>Revised Budget</u>
Visitor Services Department				
Salaries	\$	\$ 50,000	\$ 49,408	\$ 592
Fringes.....		30,000	27,087	2,913
Supplies.....	427,000	521,290	272,385	248,905
Miscellaneous.....	-	50,000	2,869	47,131
Capital Outlay	2,000,000	1,877,475	1,368,604	508,871
Total Visitor Services Department	<u>2,427,400</u>	<u>2,528,765</u>	<u>1,720,353</u>	<u>808,412</u>
Total Expenditures	<u>18,006,400</u>	<u>18,756,698</u>	<u>17,499,163</u>	<u>(1,257,535)</u>
Excess of Revenues over Expenditures	5,339,300	5,920,993	6,306,549	385,556
Other Financing Sources (Uses)				
Transfers In.....	1,915,400	1,915,400		(1,915,400)
Transfers Out.....	<u>7,254,700</u>	<u>(7,903,042)</u>	<u>(7,021,822)</u>	<u>881,220</u>
Deficiency of revenues and Other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ (66,649)</u>	<u>\$ (715,273)</u>	<u>\$ (648,624)</u>
Fund Balance, Beginning of Year			413,043	
Prior Year Encumbrances			<u>224,100</u>	
Fund Balance, End of Year			<u>\$ (78,130)</u>	

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SPECIAL REVENUE FUNDS

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

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

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

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

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

BENEDICT TRUST FUND – Established as an expendable trust fund for protection and development of property located on Springfield Pike, Woodlawn, Ohio.

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

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

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

HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP Budgetary Basis)
Non Major Special Revenue Funds
For the Year Ended December 31, 2003

	Law Enforcement Fund			
	Original Budget	Revised Budget	Actual	Variance between Actual and Revised Budget
Revenues				
Donations	\$ 100	\$	\$	\$
Miscellaneous				
Total Revenues	<u>100</u>			
Expenditures				
Salaries				
Supplies.....	10,500	10,600	2,000	(8,600)
Miscellaneous				
Capital Outlay				
Total Budgetary Expenses	<u>10,500</u>	<u>(10,600)</u>	<u>2,000</u>	<u>(8,600)</u>
Excess (Deficiency) of Revenue Over (Under) Budgetary Expenditures	(10,400)	(10,600)	(2,000)	8,600
Other Financing Sources				
Transfers In	200	200	61	(139)
Net Change in Fund Balance	<u>\$ (10,200)</u>	<u>\$ (10,400)</u>	<u>(1,939)</u>	<u>\$ 8,461</u>
Budgetary Fund Balances (Deficit) Beginning of Year			<u>10,301</u>	
Budgetary Fund Balances, End of Year			<u>\$ 8,362</u>	

Law Enforcement and Education Fund				Drug and Law Enforcement Fund			
<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance between Actual and Revised Budget</u>	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance between Actual and Revised Budget</u>
\$ 100	\$	\$	\$	\$ 200	\$ 200	\$ 5,033	\$ 4,833
		-		200	200	5,033	4,833
2,700	2,895	-	(2,895)	3,900	5,118	3,766	1,352
2,700	2,895	-	(2,895)	3,900	5,118	3,766	1,352
(2,600)	(2,895)		(2,895)	(3,700)	(4,918)	1,267	6,185
100	100	95	(5)	100	100	7	(93)
<u>\$ (2,500)</u>	<u>\$ (2,795)</u>	95	<u>\$ (2,890)</u>	<u>\$ (3,600)</u>	<u>\$ (4,818)</u>	1,274	<u>\$ 6,092</u>
		<u>2,532</u>				<u>1,119</u>	
		<u>\$ 2,627</u>				<u>\$ 2,393</u>	

(continued)

HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Non-GAAP Budgetary Basis)
Non Major Special Revenue Funds
For the Year Ended December 31, 2003

	Evergreen Fund			Variance between Actual and Revised Budget
	Original Budget	Revised Budget	Actual	
Revenues				
Donations.....	\$ 300,000	\$ 300,000	\$ 79,757	\$ (220,243)
Miscellaneous.....		1,500,000	1,337,151	(162,849)
Total Revenue	<u>300,000</u>	<u>1,800,000</u>	<u>1,416,908</u>	<u>(383,092)</u>
Expenditures				
Capital Outlay.....	1,792,800	2,822,341	2,773,109	49,232
Total Budgetary Expenses	<u>1,792,800</u>	<u>2,822,341</u>	<u>2,773,109</u>	<u>49,232</u>
Excess (Deficiency) of Revenue over (under) Budgetary Expenditures	(1,492,800)	(1,022,341)	(1,356,201)	(333,860)
Other Financing Sources				
Transfers In	33,800	10,000	10,290	290
Net Change in Fund Balance	<u>\$ (1,459,000)</u>	<u>\$ (1,012,341)</u>	<u>(1,345,911)</u>	<u>\$ (333,570)</u>
Budgetary Fund Balances, Beginning of Year			1,752,125	
Prior year Encumbrances			<u>486,701</u>	
Budgetary Fund Balances, End of Year			<u>\$ 892,915</u>	

CAPITAL PROJECT FUND

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

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HAMILTON COUNTY PARK DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis)
Capital Project Fund
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	Variance Between Actual and <u>Revised Budget</u>
Revenues				
Charges for Service	\$ -	\$ -	\$ -	\$ -
Expenditures				
Capital Outlay.....	7,184,700	10,141,871	8,614,369	1,527,502
Deficiency of revenues over expenditures	(7,184,700)	(10,141,871)	(8,614,369)	1,527,502
Other Financing Sources				
Transfers in.....	7,184,700	10,000,000	7,000,000	(3,000,000)
Deficiency of revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ (141,871)</u>	<u>(1,614,369)</u>	<u>\$ (1,472,498)</u>
Budgetary Fund Balance, Beginning of Year			726,503	
Prior Year Encumbrances			478,116	
Budgetary Fund Balance, End of Year			<u>\$ (409,750)</u>	

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PROPRIETARY FUNDS

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ENTERPRISE FUND

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

HAMILTON COUNTY PARK DISTRICT
Enterprise Fund
Schedule of Revenues and Expenses by Department
For the Year Ended December 31, 2003

	<u>Golf Management</u>	<u>Fishing and Boating</u>	<u>Riding Center</u>	<u>Food Service</u>
Operating Revenues				
Charges for sales and services	\$ 5,822,127	\$ 934,487	\$ 230,615	\$ 2,190,145
Operating Expenses				
Cost of sales and services	3,628,375	961,300	267,074	2,217,561
Administration	667,848	139,205	18,104	308,909
Depreciation	885,553	119,714	18,916	205,232
Total Operating Expenses	5,181,776	1,220,219	304,094	2,731,702
Income (Loss) before operating Transfers	<u>\$ 640,351</u>	<u>\$ (285,732)</u>	<u>\$ (73,479)</u>	<u>\$ (541,557)</u>

<u>Golf Merchandise</u>	<u>Athletics</u>	<u>Recreation Management</u>	<u>Total</u>
\$ 1,017,979	\$ 228,899	\$	\$ 10,424,252
911,566	230,870	326,421	8,543,167
27,107	75,120		1,236,293
22,900	80,886		1,333,201
961,573	386,876	326,421	11,112,661
<u>\$ 56,406</u>	<u>\$ (157,977)</u>	<u>\$ (326,421)</u>	<u>\$ (688,409)</u>

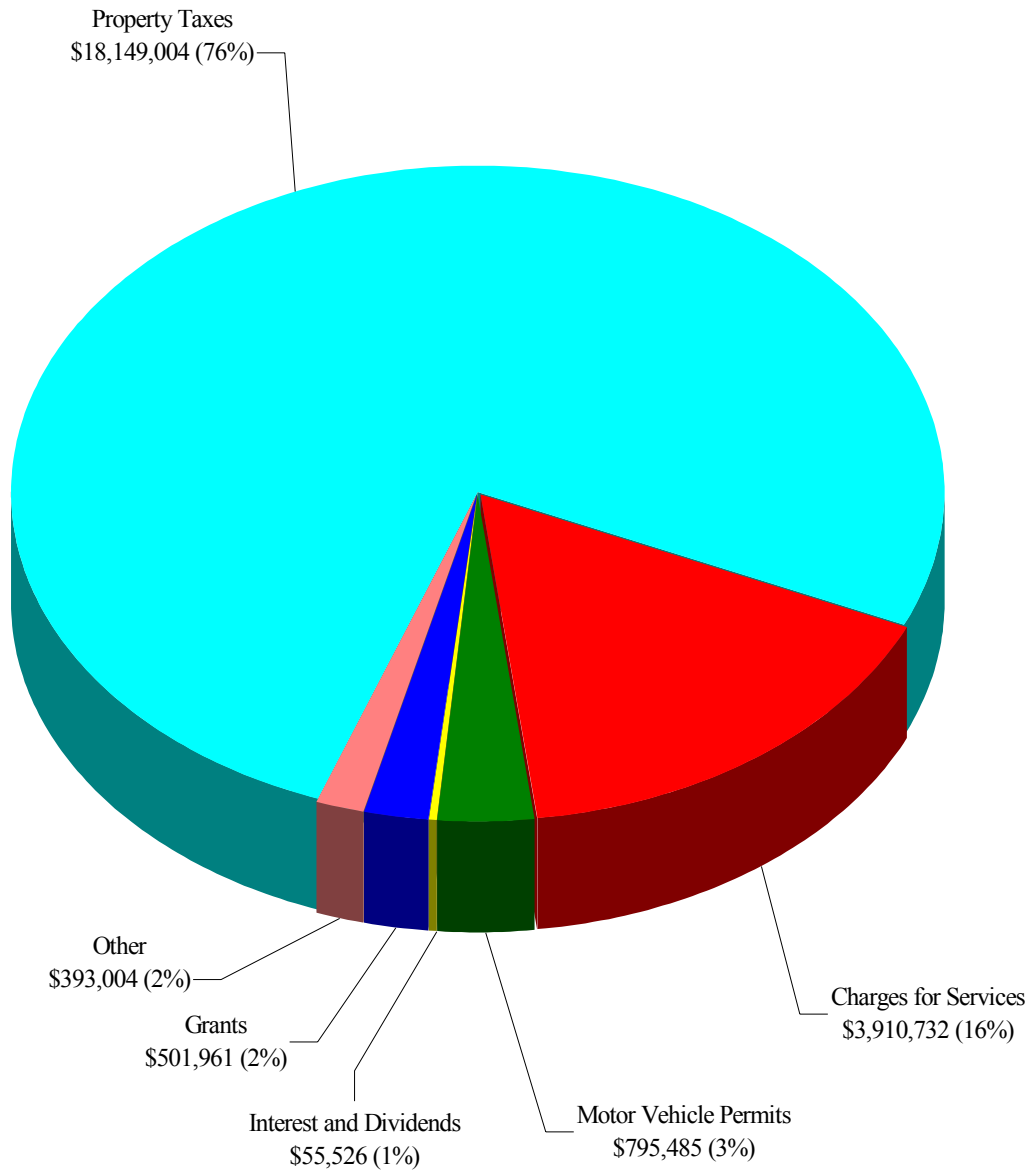
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Statistical Section

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

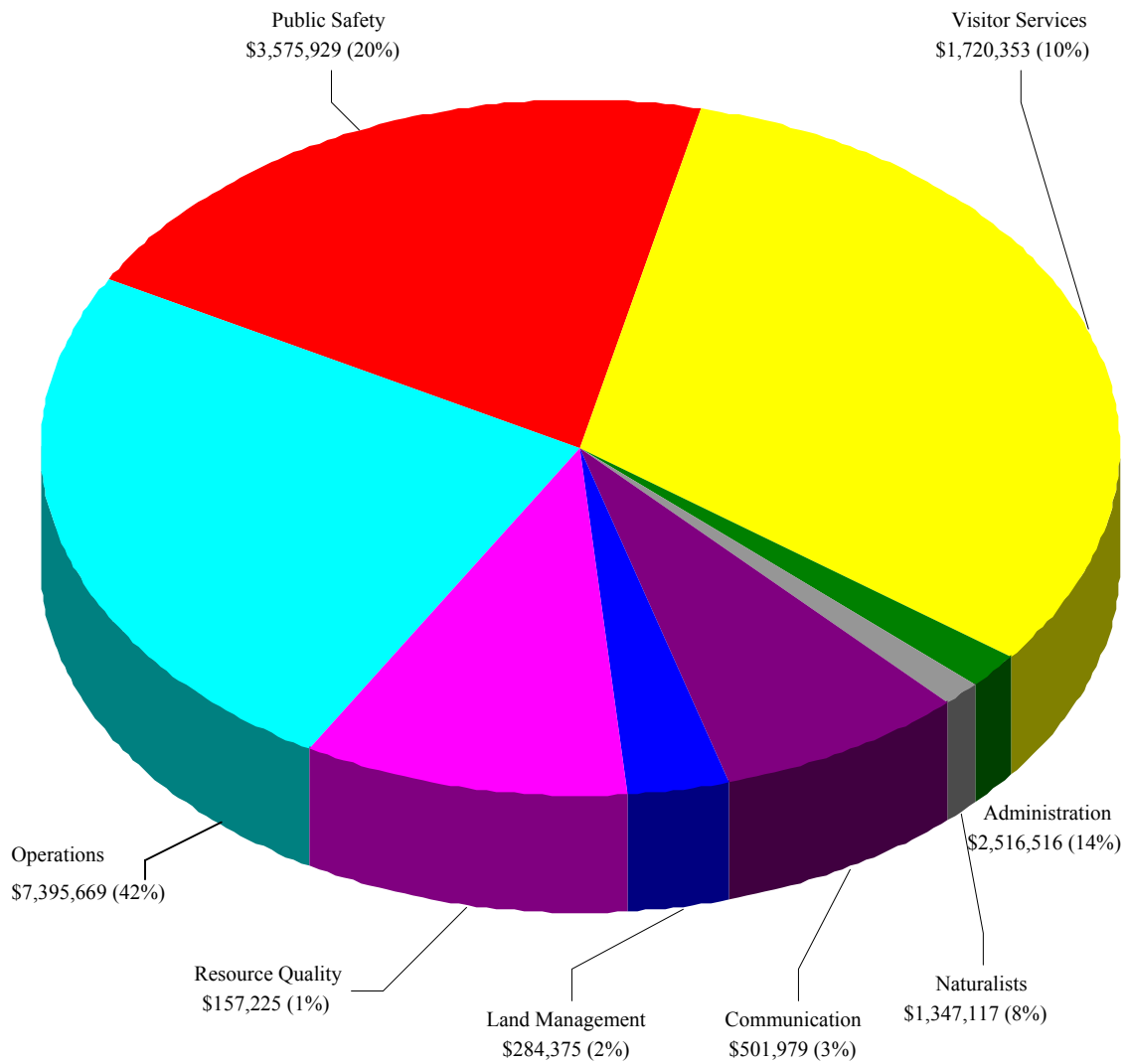
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**HAMILTON COUNTY PARK DISTRICT
GENERAL FUND - REVENUES BY SOURCE
(Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2003**



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**HAMILTON COUNTY PARK DISTRICT
GENERAL FUND – EXPENDITURES BY FUNCTION
(Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2003**

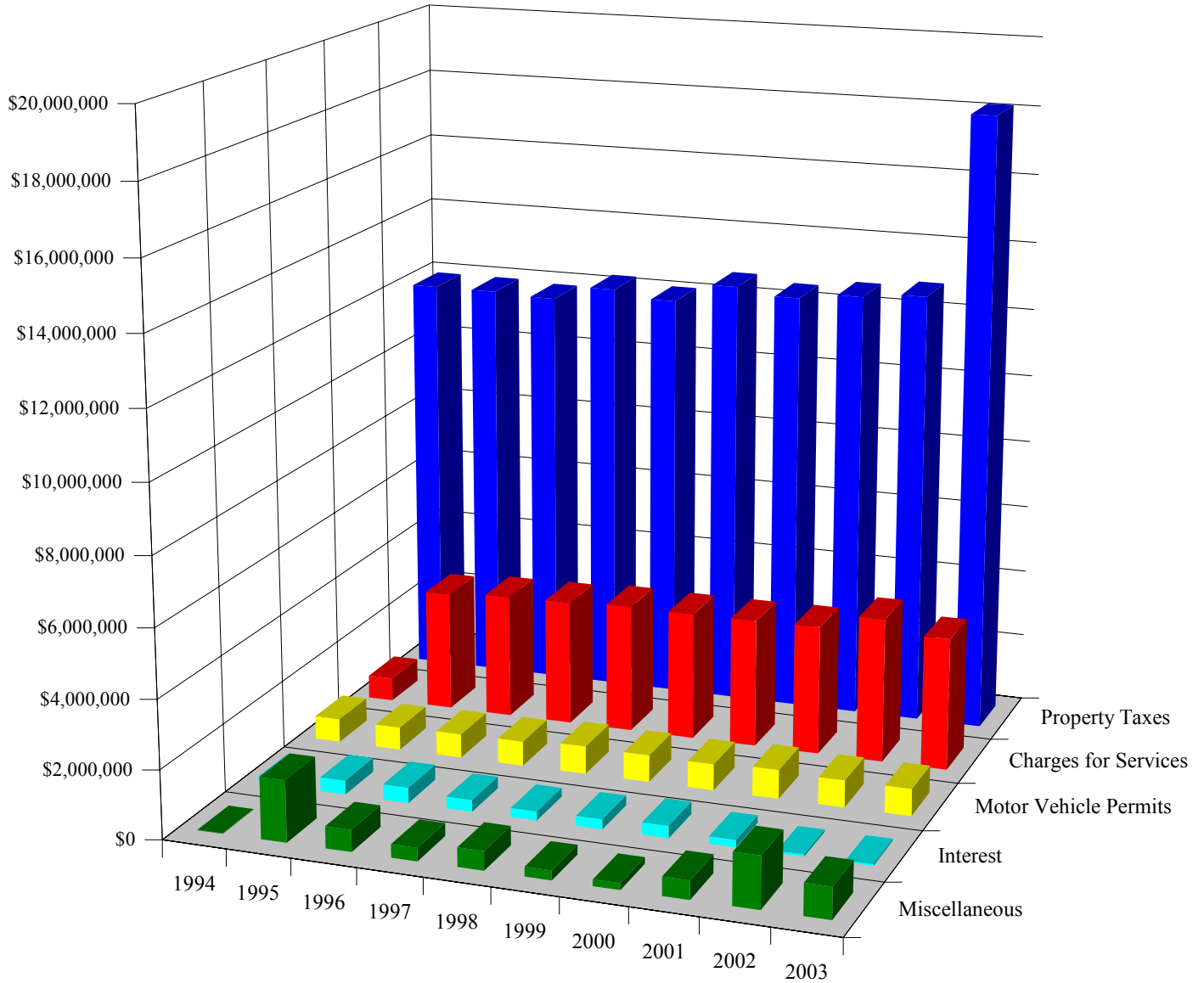


HAMILTON COUNTY PARK DISTRICT
General Fund
Revenues by Source and Expenditures by Function
(Non-GAAP Budgetary Basis)
Last Ten Years

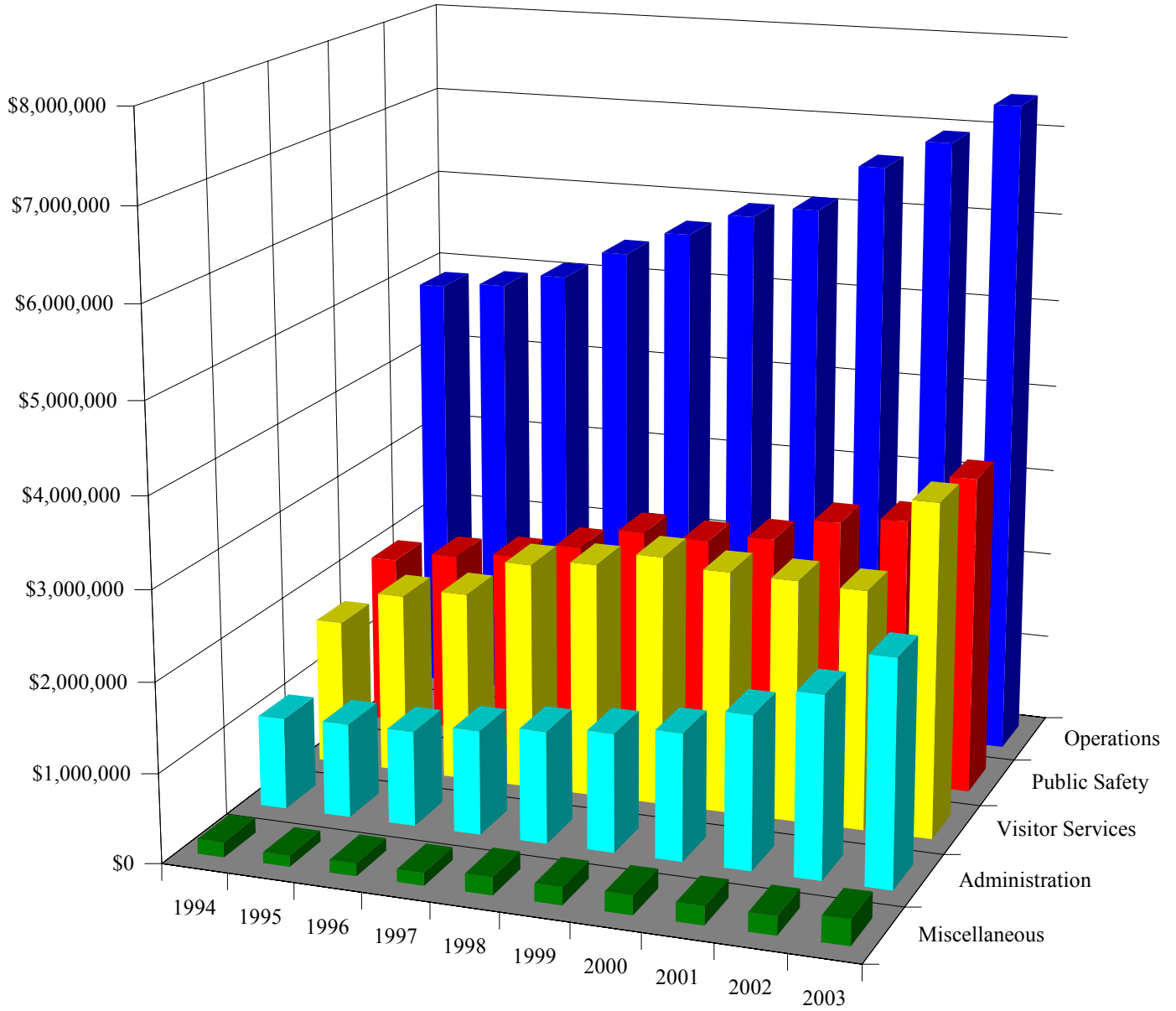
	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
REVENUES					
Taxes	\$ 11,910,802	\$ 11,909,960	\$ 11,845,742	\$ 12,271,916	\$ 12,062,982
Motor Vehicle Permit	689,163	668,135	703,350	723,527	818,657
Charges for Service	691,164	3,541,865	3,663,773	3,699,827	3,787,460
Investment Income	191,759	407,377	447,128	338,128	261,179
Miscellaneous	<u>15,230</u>	<u>1,785,622</u>	<u>631,483</u>	<u>380,484</u>	<u>554,539</u>
TOTAL REVENUE	<u>\$ 13,498,118</u>	<u>\$ 18,312,959</u>	<u>\$ 17,291,476</u>	<u>\$ 17,413,882</u>	<u>\$ 17,484,817</u>
EXPENDITURES					
Administration	\$ 1,027,169	\$ 1,055,050	\$ 1,065,111	\$ 1,167,313	\$ 1,254,394
Safety	1,948,624	2,071,100	2,147,453	2,336,878	2,589,823
Operations	4,863,544	4,929,003	5,086,214	5,416,016	5,697,135
Visitor Services and Other	1,651,845	2,045,930	2,150,294	2,570,152	2,650,357
Land Management	<u>165,850</u>	<u>121,375</u>	<u>140,153</u>	<u>140,710</u>	<u>199,326</u>
TOTAL EXPENDITURES	<u>\$ 9,657,032</u>	<u>\$ 10,222,458</u>	<u>\$ 10,589,225</u>	<u>\$ 11,631,069</u>	<u>\$ 12,391,035</u>

<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
\$ 12,642,955	\$ 12,451,951	\$ 12,636,073	\$ 12,791,479	\$ 18,149,004
792,074	775,897	849,440	792,443	795,485
3,780,721	3,791,236	3,824,199	4,265,840	3,910,732
291,022	354,991	216,360	62,127	55,526
<u>275,314</u>	<u>188,575</u>	<u>539,187</u>	<u>1,488,979</u>	<u>894,965</u>
<u>\$ 17,782,086</u>	<u>\$ 17,562,650</u>	<u>\$ 18,065,259</u>	<u>\$ 19,400,868</u>	<u>\$ 23,805,712</u>
\$ 1,327,256	\$ 1,426,047	\$ 1,719,454	\$ 2,032,437	\$ 2,516,516
2,572,623	2,666,474	2,933,745	3,025,836	3,575,929
5,957,631	6,082,528	6,614,834	6,938,566	7,395,669
2,816,257	2,729,479	2,714,835	2,684,309	3,726,674
<u>197,433</u>	<u>215,465</u>	<u>205,942</u>	<u>210,070</u>	<u>284,375</u>
<u>\$ 12,871,200</u>	<u>\$ 13,119,993</u>	<u>\$ 14,188,810</u>	<u>\$ 14,891,218</u>	<u>\$ 17,499,163</u>

**HAMILTON COUNTY PARK DISTRICT
GENERAL FUND - REVENUES BY SOURCE
(Non-GAAP Budgetary Basis)
Last Ten Years**

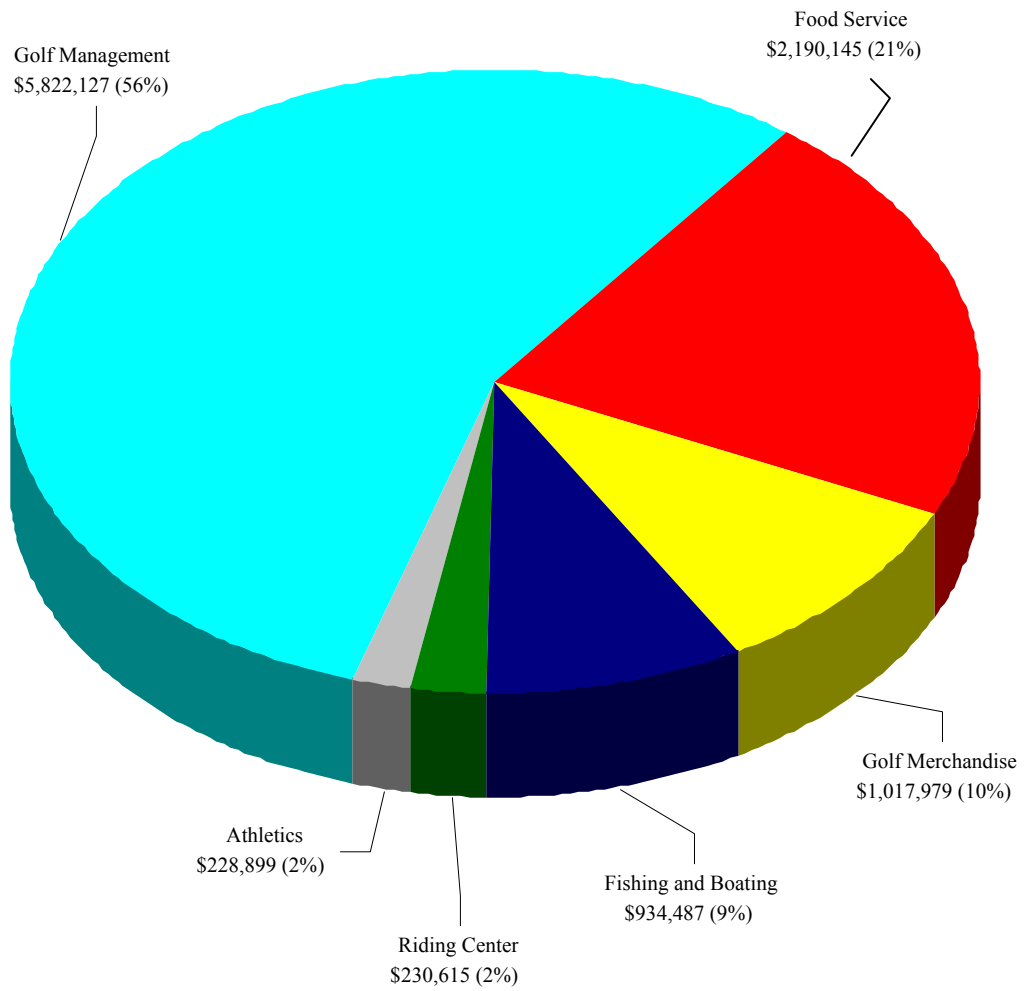


**HAMILTON COUNTY PARK DISTRICT
GENERAL FUND - EXPENDITURES BY FUNCTION
(Non-GAAP Budgetary Basis)
Last Ten Years**



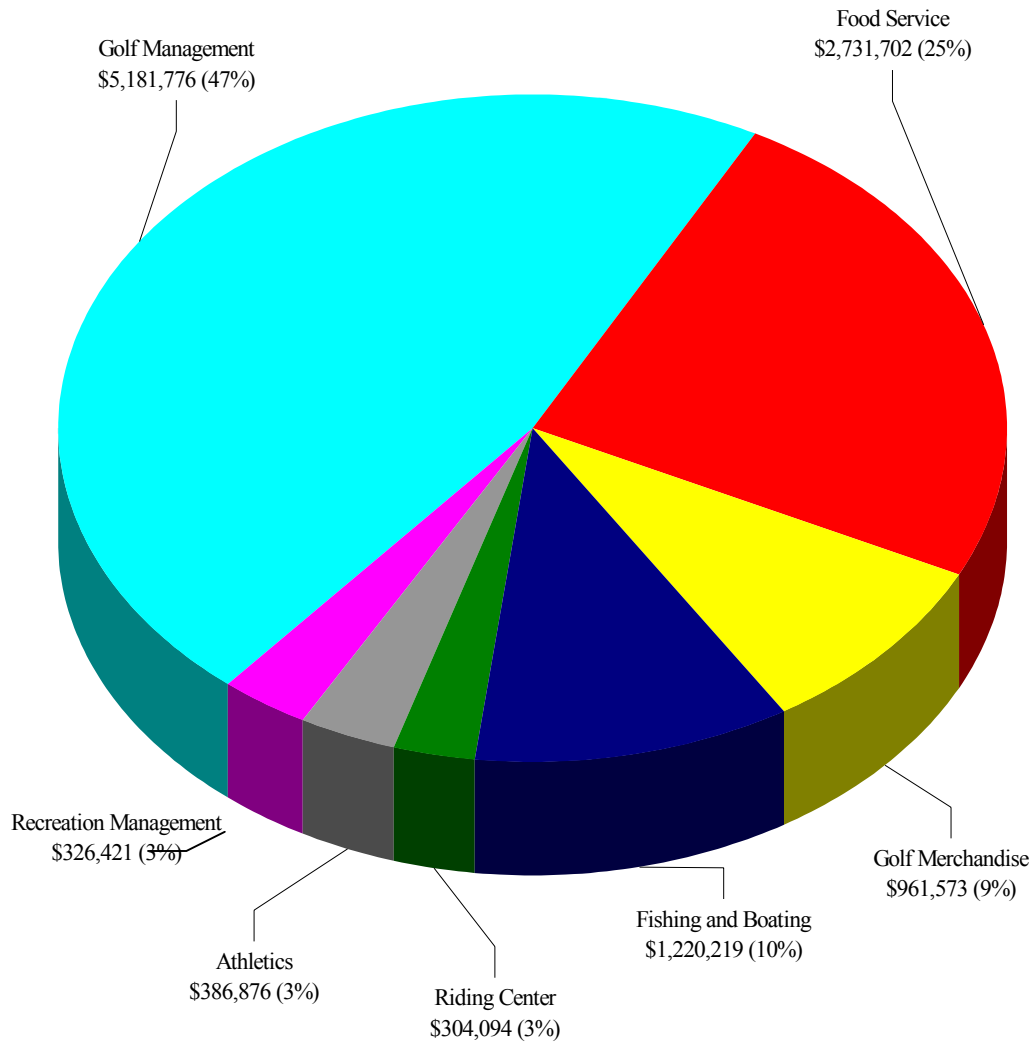
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**HAMILTON COUNTY PARK DISTRICT
ENTERPRISE FUND
OPERATING REVENUES BY DEPARTMENT
For the Year Ended December 31, 2003**



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**HAMILTON COUNTY PARK DISTRICT
 ENTERPRISE FUND
 OPERATING EXPENSES BY DEPARTMENT
 For the Year Ended December 31, 2003**



COUNTY OF HAMILTON, OHIO
Property Tax Levies and Collections
Real, Utility and Tangible Personal Property Taxes
Last Ten Years

<u>Tax Year Collection Year</u>	<u>Current Levy</u>	<u>Delinquent Levy</u>	<u>Total Levy</u>
1993/1994	\$ 196,180,296	\$ 14,947,756	\$ 211,128,052
1994/1995	210,573,806	14,153,427	224,727,233
1995/1996	210,661,835	14,350,515	225,012,350
1996/1997	234,466,576	18,367,236	252,833,812
1997/1998	232,576,991	15,588,698	248,165,689
1998/1999	243,871,859	15,353,864	259,225,723
1999/2000	268,875,736	16,101,819	284,977,555
2000/2001	258,587,877	17,663,002	276,250,879
2001/2002	279,619,746	20,798,346	300,418,092
2002/2003	293,718,944	23,835,087	317,554,031

Source: Hamilton County Auditor's Office, Budget Commission

<u>Current Collection</u>	<u>Current Levy Collected</u>	<u>Delinquent Collection</u>	<u>Total Collection</u>	<u>Total Collections As a Percent of Current Levy</u>
\$ 190,711,343	97.21%	\$ 7,294,666	\$ 198,006,009	100.93%
205,057,328	97.38	6,736,884	211,794,212	100.58
204,316,902	96.99	6,648,968	210,965,870	100.14
227,575,547	97.06	10,357,890	237,933,437	101.48
226,682,488	97.47	8,297,212	234,979,700	101.03
236,690,049	97.06	8,282,287	244,972,336	100.45
260,266,951	96.80	8,599,370	268,866,321	100.00
250,641,616	96.93	9,753,318	260,394,934	100.70
270,041,922	96.57	10,965,600	281,007,522	100.50
280,905,493	96.54	10,634,727	291,540,220	99.26

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

<u>Tax Year</u> <u>Collection Year</u>	<u>Real Property</u>		<u>Personal Property</u>	
	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>
1993/1994	\$ 11,029,482	\$ 31,512,777	\$ 2,012,269	\$ 8,049,076
1994/1995	11,165,437	31,901,249	1,985,287	7,941,148
1995/1996	11,305,422	32,301,206	2,029,232	8,116,928
1996/1997	11,989,588	34,255,966	2,063,161	8,252,645
1997/1998	12,096,491	34,561,402	2,074,756	8,299,024
1998/1999	12,205,425	34,872,643	2,105,777	8,423,108
1999/2000	14,193,173	40,551,923	2,080,609	8,322,436
2000/2001	14,312,437	40,892,677	2,120,376	8,481,504
2001/2002	14,489,393	41,398,266	2,054,198	8,216,792
2002/2003	16,088,698	45,967,709	1,712,460	7,135,250

Source: Hamilton County Auditor's Office, Budget Commission

<u>Public Utility</u>		<u>Total</u>		<u>Ratio of Assessed to Estimated Actual Value</u>
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	
\$ 1,084,285	\$ 2,168,570	\$ 14,126,036	\$ 41,730,423	33.85%
1,126,311	2,252,622	14,277,035	42,095,019	33.92
1,065,606	2,131,212	14,400,260	42,549,346	33.84
1,071,857	2,143,714	15,124,606	44,652,325	33.87
1,022,980	2,045,960	15,194,227	44,906,386	33.85
1,040,198	2,080,396	15,351,400	45,376,147	33.83
1,040,460	2,080,934	17,314,242	50,955,293	33.98
977,417	1,954,834	17,410,230	51,329,015	33.92
718,507	1,437,014	17,262,098	51,052,072	33.81
743,825	1,487,650	18,544,983	54,590,609	33.97

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

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<u>HAMILTON COUNTY</u>										
GENERAL OPERATING	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26
DEBT (Bond retirement)	0.21	0.19	0.19	0.18	0.18	0.18	0.18	0.17	0.16	0.15
DRAKE HOSPITAL	1.95	1.76	1.76	1.76	1.76	1.76	1.59	1.59	1.59	1.59
UNIVERSITY OF CINCINATI HOSPITAL	4.73	4.73	4.73	4.73	4.73	4.73	4.73	4.73	5.39	5.39
COUNTY PARK DISTRICT	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03
COUNTY POLICE INFORMATION CENTER	0.54	0.54	0.54	0.54	0.54	0.83	0.83	0.83	0.83	0.83
CARE AND TRAINING MENTALLY RETARDED	2.73	2.73	2.73	2.73	2.73	2.73	3.53	3.53	3.53	3.53
COMMUNITY MENTAL HEALTH	1.81	1.99	1.99	1.99	1.99	2.47	2.47	2.47	2.47	2.74
SUPPORT OF CHILDREN SERVICES	1.62	1.62	1.62	2.77	2.77	2.11	2.77	1.87	2.77	2.77
RECREATION/ ZOOLOGICAL PURPOSES	0.45	0.45	0.45	0.45	0.00	0.42	0.42	0.42	0.42	0.42
SENIOR SERVICES	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.02</u>	<u>1.02</u>	<u>1.02</u>	<u>1.02</u>	<u>1.02</u>	<u>1.16</u>
TOTAL	18.33	18.30	18.30	19.44	19.01	19.54	20.83	19.92	21.47	21.87
<u>TOWNSHIPS</u>										
ANDERSON	8.90	8.90	8.90	8.90	8.90	8.90	9.90	9.90	11.87	11.87
ANDERSON TOWNSHIP PARK DISTRICT	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28
COLERAIN	12.34	12.34	12.34	12.34	12.34	12.34	10.84	15.18	15.18	16.18
COLUMBIA	17.76	17.96	17.96	17.96	17.96	17.96	17.96	17.96	17.96	17.96
CROSBY	9.24	9.24	9.24	9.24	9.24	9.24	9.24	9.24	9.24	9.24
DELHI	19.66	19.46	19.46	19.46	19.46	19.46	19.46	19.46	19.46	19.46
DELHI TOWNSHIP PARK DISTRICT	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
GREEN	7.06	8.81	8.81	8.81	8.81	8.81	8.81	8.81	8.31	8.31
HARRISON	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74
MIAMI	5.56	5.56	6.85	6.85	6.85	6.45	6.45	7.45	7.45	9.91
SPRINGFIELD	15.67	15.67	15.67	15.67	14.30	14.30	14.30	14.30	20.30	20.30
SYCAMORE	7.60	7.60	7.60	7.60	7.60	7.75	7.75	7.75	7.75	7.75
SYMMES	10.30	11.00	11.00	11.00	11.00	11.90	11.75	11.75	11.75	13.45
WHITEWATER	10.84	10.84	10.84	10.84	10.84	10.84	10.84	10.84	10.84	11.44
<u>SCHOOLS</u>										
CINCINNATI	48.75	48.58	53.52	53.19	53.13	53.13	51.94	56.93	57.15	56.25
DEER PARK	55.10	55.10	62.01	62.01	62.01	62.01	62.01	70.00	70.00	70.00
FINNEYTOWN	68.77	68.70	68.64	72.60	72.39	72.39	72.39	72.39	80.34	80.34
FOREST HILLS	43.04	49.51	49.23	51.37	51.37	51.37	51.16	50.97	50.97	55.87
INDIAN HILL	44.69	44.63	44.58	44.48	44.51	42.92	42.92	47.10	47.10	47.10
LOCKLAND	35.12	35.12	35.89	58.34	59.07	57.96	56.59	55.95	37.69	37.09
LOVELAND	56.69	56.13	55.44	60.14	59.58	64.21	63.79	70.14	70.14	70.14
MADEIRA	68.97	68.97	68.97	72.13	72.13	72.13	71.71	80.22	80.14	79.47
MARIEMONT	67.97	67.97	74.97	74.97	74.97	84.92	82.92	85.15	85.67	85.42
MILFORD	57.50	57.50	57.50	54.52	59.10	59.10	59.10	59.10	63.20	63.20
MT. HEALTHY	55.89	55.79	55.77	55.66	54.99	61.98	61.85	61.66	61.71	61.83
NORTH COLLEGE HILL	54.12	53.97	53.57	53.57	53.57	53.57	57.47	57.47	57.47	57.47
NORTHWEST	43.18	43.15	42.98	42.98	50.18	50.18	50.13	49.80	49.80	49.64
NORWOOD	47.98	46.63	49.92	49.51	48.90	48.82	48.57	62.80	52.95	49.90
OAK HILLS	35.30	40.20	40.20	40.20	46.97	46.97	46.97	46.97	46.97	46.74
PRINCETON	42.24	42.24	42.24	42.24	42.24	42.24	46.19	46.19	46.19	45.79
READING	43.30	51.28	51.28	51.28	57.18	57.18	57.18	57.18	57.18	57.18
ST. BERNARD	29.75	36.67	36.67	36.71	35.72	34.97	34.97	43.25	43.86	43.07
SOUTHWEST	45.13	45.13	45.13	44.77	44.74	48.22	48.22	47.88	47.75	47.44
SYCAMORE	54.14	54.14	54.14	54.14	54.14	61.53	60.84	80.84	60.84	80.49
THREE RIVERS	39.40	32.06	36.96	37.86	37.54	37.48	37.26	39.95	39.95	39.95
WINTON WOODS	62.12	62.12	62.12	62.12	62.13	70.08	70.08	70.08	70.08	70.08
WYOMING	63.03	64.98	64.98	64.98	64.98	73.18	71.03	70.39	70.29	70.08
GREAT OAKS JOINT VOCATIONAL	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70

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

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<u>CITIES & VILLAGES</u>										
ADDYSTON	6.59	6.59	7.59	7.59	7.59	7.59	7.59	5.59	5.59	5.59
AMBERLEY	4.00	4.00	4.00	4.00	4.00	6.00	6.00	7.00	7.00	7.00
ARLINGTON HEIGHTS	10.87	10.81	10.77	10.02	10.82	10.82	10.82	10.82	10.82	9.52
BLUE ASH	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
CHEVIOT	13.38	13.38	13.02	13.00	12.84	12.82	12.66	12.62	12.56	12.42
CINCINNATI	11.46	11.46	11.46	11.46	11.46	11.46	10.90	10.76	10.76	10.63
CLEVES	19.36	19.36	19.36	23.71	23.71	20.71	20.71	17.41	13.66	13.66
DEER PARK	6.68	6.68	6.58	7.20	7.20	4.50	3.55	3.55	3.55	3.55
ELMWOOD PLACE	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78
EVENDALE	3.34	3.34	3.34	3.34	3.34	3.34	0.00	0.00	0.00	0.00
FAIRFAX	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76
FOREST PARK	8.01	8.01	8.01	8.01	8.01	8.01	8.01	8.01	12.76	12.76
GLENDALE	25.38	25.38	23.68	23.26	22.34	19.66	21.93	21.66	21.55	22.61
GOLF MANOR	12.60	19.60	19.60	19.60	19.42	19.42	19.42	25.32	24.52	24.52
GREENHILLS	18.04	18.04	21.54	21.91	26.22	26.47	25.99	25.99	25.93	27.98
HARRISON	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
INDIAN HILL	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96
LINCOLN HEIGHTS	24.34	10.08	20.08	20.08	20.08	20.08	20.08	20.06	24.58	26.33
LOCKLAND	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02
LOVELAND	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	12.00	12.00
MADEIRA	7.50	7.50	7.50	9.92	7.50	7.50	7.50	7.50	7.50	7.50
MARIEMONT	8.94	8.94	8.94	8.94	12.44	12.44	12.44	12.44	12.44	12.44
MILFORD	13.10	13.10	13.10	12.60	12.60	12.60	12.60	12.00	12.00	12.00
MONTGOMERY	9.15	9.15	9.15	9.15	9.15	9.15	10.75	10.75	10.05	10.05
MT. HEALTHY	4.61	7.11	7.11	7.11	7.11	7.11	6.61	8.11	8.11	8.11
NEWTOWN	8.87	8.87	8.87	8.87	8.87	8.87	6.87	6.67	6.87	10.37
NORTH BEND	13.82	16.59	17.88	17.88	17.88	14.88	10.38	10.09	10.09	10.09
NORTH COLLEGE HILL	6.18	6.18	6.18	7.98	7.98	7.98	7.98	7.98	7.98	7.98
NORWOOD	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40
READING	3.52	1.76	1.76	1.76	1.76	1.76	1.76	3.52	3.52	3.52
ST. BERNARD	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.20	2.28	2.28
SHARONVILLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SILVERTON	11.15	11.15	11.15	11.15	11.15	8.15	8.15	8.15	8.15	8.15
SPRINGDALE	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
TERRACE PARK	18.32	14.86	14.86	14.86	14.86	14.86	14.86	14.86	14.86	14.86
WOODLAWN	4.08	4.08	4.08	4.08	5.08	5.08	5.08	5.08	5.08	5.08
WYOMING	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
SPECIAL DISTRICTS:										
Deer Park/Silverton Joint Ambulance	0.00	0.00	0.00	0.00	0.00	6.50	6.50	6.50	6.50	6.50
Eastern Joint Ambulance District	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	3.00	3.00
Western Joint Ambulance District	0.00	0.00	1.25	1.25	1.25	1.25	1.25	1.25	1.25	2.50
Fairfax/Madison Pl. Joint Fire and Rescue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50	1.25

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

HAMILTON COUNTY PARK DISTRICT
Computation of Legal Debt Margin
December 31, 2003
(Amounts in Thousands)

• Tax valuation of all property subject to ad valorem taxation in the Hamilton County Park District as shown by the tax duplicate for the year 2003, the latest tax duplicate at the date hereof.	\$ 18,544,983
Aggregate permitted principal amount of bonds issued in anticipation of the collection of the voted tax levy of a Park district pursuant to Section 1545.21, O.R. C. (1 percent of tax valuation).	\$ 185,450
• Total remaining principal of all outstanding bonds issued.	None
• Available principal amount of bonds issued.	\$ 185,450

**COUNTY OF HAMILTON, OHIO
DEMOGRAPHIC STATISTICS**

POPULATION

1940	621,897
1950	723,953
1960	864,121
1970	925,944
1980	866,714
1990	866,228
2000	845,303

AGE DISTRIBUTION OF POPULATION – 2000

	<u>Number</u>	<u>Percentage</u>
Under 5 years	56,548	6.69%
5-9 years	60,719	7.18
10-14 years	63,822	7.56
15-19 years	60,987	7.21
20-24 years	56,941	6.74
25-34 years	117,694	13.92
35-44 years	132,973	15.73
45-54 years	112,172	13.27
55-59 years	37,992	4.49
60-64 years	31,557	3.73
65-74 years	58,302	6.90
75-84 years	40,462	4.79
85 years and over	<u>15,134</u>	<u>1.79</u>
Total	<u>845,303</u>	<u>100.00%</u>
Median age: 35.5		

Source: United States Bureau of the Census
Greater Cincinnati Chamber of Commerce for the Hamilton County Area

**COUNTY OF HAMILTON, OHIO
DEMOGRAPHIC STATISTICS (continued)**

DISTRIBUTION OF FAMILIES BY INCOME BRACKET (Average 2.45 Persons)

	<u>2000</u>	
	<u>Number</u>	<u>Percentage</u>
0-\$9,999	47,530	13.97%
\$10,000-\$19,999	47,850	14.06
\$20,000-\$29,999	44,720	13.14
\$30,000-\$39,999	52,480	15.42
\$40,000-\$49,999	46,410	13.64
\$50,000-\$59,999	31,440	9.24
\$60,000-\$74,999	29,030	8.53
\$75,000-\$99,999	20,920	6.15
\$100,000-\$124,999	7,960	2.34
\$125,000-\$149,999	3,620	1.06
Over \$150,000	<u>8,310</u>	<u>2.45</u>
Total	<u>340,270</u>	<u>100.00%</u>
Per Capita Income	\$ <u>32,753</u>	

Source: U.S. Department of Commerce

**COUNTY OF HAMILTON, OHIO
DEMOGRAPHIC STATISTICS (continued)
LAST TEN YEARS**

EMPLOYMENT – ANNUAL AVERAGE

	<u>Total Labor Force</u>	<u>Total Employed</u>	<u>Total Unemployed</u>	<u>Unemployment Rate</u>
1993	441,600	417,300	24,300	5.5
1994	435,800	415,000	20,800	4.8
1995	436,900	419,300	17,600	4.0
1996	449,000	432,800	16,200	3.6
1997	450,300	435,700	14,600	3.2
1998	459,100	445,900	13,200	2.9
1999	458,600	444,700	13,900	3.0
2000	449,000	436,100	12,900	2.9
2001	447,600	430,800	16,800	3.8
2002	442,600	424,700	17,500	4.0

**EMPLOYMENT BY SECTOR
(Amounts in Thousands)**

	<u>Manufacturing</u>		<u>Wholesale-Retail Trade</u>		<u>Professional and Related Services</u>		<u>State and Local Government</u>	
	<u>Number</u>	<u>Percent of Total</u>	<u>Number</u>	<u>Percent of Total</u>	<u>Number</u>	<u>Percent of Total</u>	<u>Number</u>	<u>Percent of Total</u>
1992	110.1	21.0	131.8	25.1	147.0	28.0	48.1	9.2
1993	105.4	20.0	131.1	25.0	150.2	28.6	48.4	9.2
1994	101.0	18.9	135.0	25.3	155.8	29.2	49.3	9.2
1995	99.9	18.5	137.8	25.5	160.6	29.7	49.6	9.2
1996	98.1	17.7	143.8	25.8	169.2	30.4	50.1	9.0
1997	97.0	17.3	138.2	24.7	179.5	32.0	48.4	8.9
1998	96.4	17.1	137.6	24.5	182.9	32.5	48.3	8.6
1999	92.8	16.5	136.0	24.2	187.9	33.5	48.4	8.6
2000	90.3	16.0	141.6	25.1	189.6	33.6	47.2	8.4
2001	85.9	15.6	130.4	23.8	190.1	34.6	47.3	8.8

	<u>Finance, Insurance and Real Estate</u>		<u>Transportation and Public Utilities</u>		<u>Other</u>		<u>Total</u>	
	<u>Number</u>	<u>Percent of Total</u>	<u>Number</u>	<u>Percent of Total</u>	<u>Number</u>	<u>Percent of Total</u>	<u>Number</u>	<u>Percent of Total</u>
1992	36.0	6.9	26.1	5.0	25.0	4.8	524.1	100
1993	37.4	7.1	26.1	5.0	26.8	5.1	525.4	100
1994	38.6	7.2	27.3	5.1	27.4	5.1	534.4	100
1995	38.5	7.1	27.3	5.0	26.8	5.0	540.5	100
1996	41.0	7.4	27.3	4.9	26.9	4.8	556.4	100
1997	39.9	7.1	27.0	4.8	29.5	5.2	559.5	100
1998	41.1	7.3	28.3	5.0	28.3	5.0	562.9	100
1999	38.8	6.9	27.6	4.9	30.2	5.4	561.7	100
2000	39.8	7.0	26.9	4.8	28.7	5.1	564.1	100
2001	39.4	7.2	26.7	4.9	29.2	5.3	549.0	100

Source: Ohio Bureau of Employment Services. Annual/Average Employment for 2003 and Employment by Sector information for 2002 and 2003 is not available at the time of this publication.

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COUNTY OF HAMILTON, OHIO
PRINCIPAL TAXPAYERS
December 31, 2003
(Amounts in Thousands)

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
CINERGY Corporation	Public Utility	\$ 514,049	2.77%
Procter & Gamble Co.	Consumer Goods – Manufacturing	182,585	0.98
Cincinnati Bell Telephone	Public Utility	160,258	0.86
Duke Realty Ohio	Real Estate Management	77,059	0.32
Ford Motor Company	Automotive Manufacturing	74,244	0.40
City of Cincinnati	City Government	69,474	0.37
Concordia Properties	Real Estate Management	57,029	0.31
Hamilton County	County Government	54,116*	0.00**
Cognis Corporation	Chemical Manufacturing	46,914	0.25
Emery Realty	Real Estate Management	<u>31,255</u>	<u>0.17</u>
		<u>\$ 1,266,980</u>	<u>6.53%</u>

Source: Hamilton County Auditor's Office

*Real property for the Hamilton County Commissioners includes a value of \$39,285,750 for the Great American Ballpark. The majority of this value will be exempted.

**Total excludes the Hamilton County Commissioners for which a majority of the value will be exempted.

HAMILTON COUNTY PARK DISTRICT
Schedule of Insurance Coverage
December 31, 2003

Coverage	Carrier	Policy Number
General Liability (Include liquor as provided by exclusion)	ALEA Endurance QBE Hannover	OH 1694179-PO3
Umbrella Liability	Professional Governmental Underwriters, Inc.	PGU000009
Automobile Liability	ALEA Endurance QBE Hannover	OH 1694179-PO3
Automobile Physical Damage	Endurance Hannover	OH 1694179 –PO3
Employee Dishonesty	Endurance Hannover	OH 1694179-PO3
Building and Contents	Endurance Hannover	OH 1694179-PO3
Inland Marine	Endurance Hannover	OH 1694179-PO3
Law Enforcement Liability	QPE ALEA Endurance Hannover	OH 1694179-PO3
Crime	Endurance Hannover	OH 1694179-PO3
Public Officials Liability	ALEA Endurance QBE	OH 1694179-PO3
Boiler	CHUBB	OH 1694179-PO3
EDP	Endurance Hannover	OH 1694179-PO3

<u>Expiration Date</u>	<u>Limits Aggregate</u>	<u>Deductible</u>	<u>Annual Premium</u>
8-31-2004	\$ 7,000,000	\$ -	\$ 106,588
7-1-2004	5,000,000	10,000	23,625
8-31-2004	5,000,000	-	50,050
8-31-2004	2,205,776	1,000/2,000	15,154
8-31-2004	25,000	1,000	197
8-31-2004	38,482,717	10,000	19,237
8-31-2004	3,775,833	5,000	17,230
8-31-2004	7,000,000	10,000	13,635
8-31-2004	25,000	1,000	1,064
8-31-2004	7,000,000	10,000	9,283
8-31-2004	3,848,717	10,000	2,255
8-31-2004	230,000	1,000	<u>2,140</u>
Annual Premium Total			<u>\$ 260,458</u>

HAMILTON COUNTY PARK DISTRICT

Facility Utilization

Last Ten Years

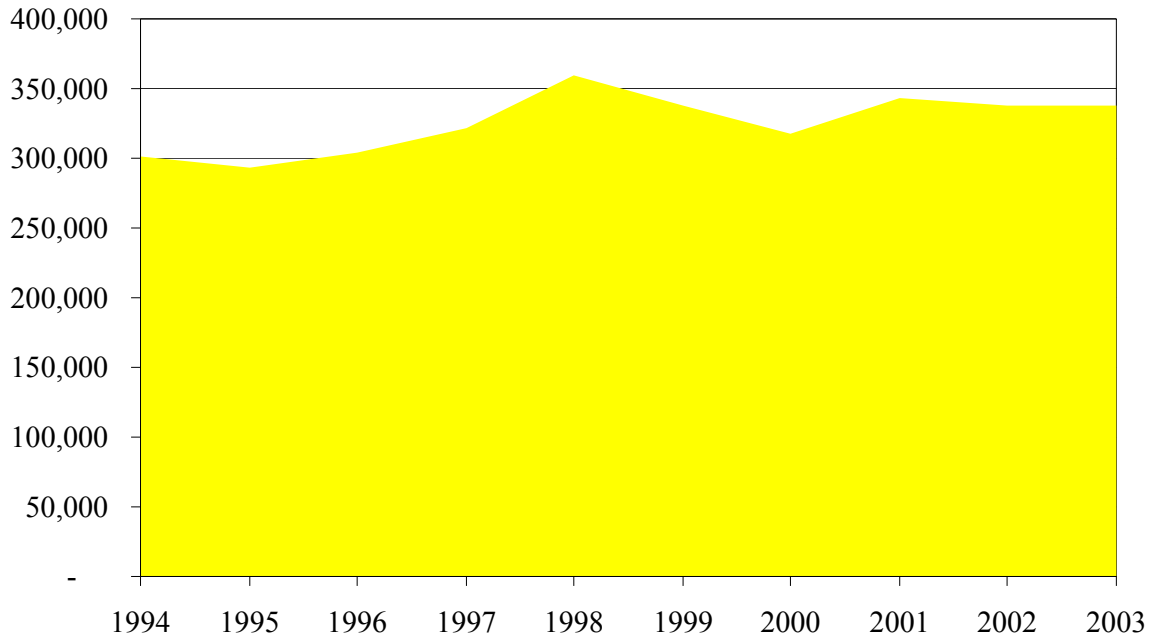
	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Reservations picnic areas	1,815	2,201	2,101	1,957
Pounds of fish stocked	59,050	53,000	50,000	56,400
Boat rentals	46,469	45,238	35,042	38,492
Rounds of golf	330,254	324,575	309,267	357,989
Horseback riding lessons	5,965	8,934	10,191	9,642
Visitor center attendance	149,232	144,448	165,500	141,215
Programs presented	1,202	1,421	1,634	1,971
Program attendance	63,012	66,726	74,258	95,098
Volunteer hours	45,160	45,537	50,873	50,960
Motor vehicle permits – annual	194,265	187,737	199,834	204,966
Motor vehicle permits – other	106,964	105,367	104,061	116,012
Special events	28	30	15	20

<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
2,044	2,507	2,799	2,793	2,493	2,538
41,000	41,500	39,000	36,000	36,000	24,000
54,548	47,796	44,856	45,811	36,291	32,418
360,254	341,601	369,695	375,337	314,032	298,859
10,009	9,566	9,878	10,509	10,095	8,256
138,706	181,252	195,546	211,993	207,298	175,765
2,010	1,937	2,083	2,326	2,318	2,686
85,746	74,379	85,427	82,230	83,967	84,820
60,489	56,095	56,226	65,246	66,409	70,132
233,257	227,093	220,509	243,106	227,158	228,699
126,082	110,705	96,993	100,117	111,291	111,456
22	28	34	29	38	31

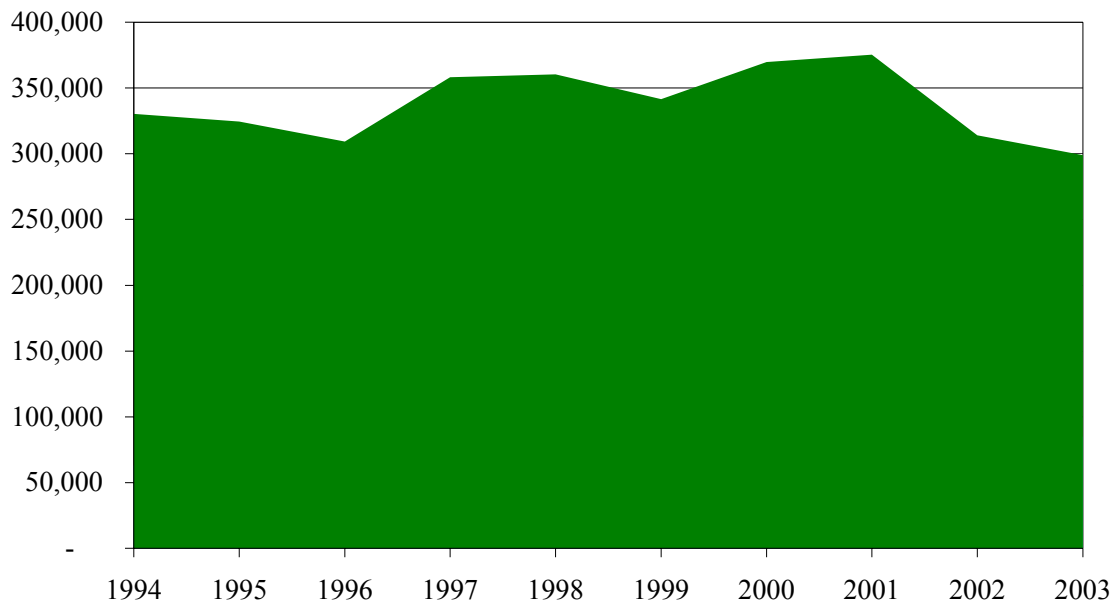
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**HAMILTON COUNTY PARK DISTRICT
FACILITIES UTILIZATION
Last Ten Years**

Motor Vehicle Permits



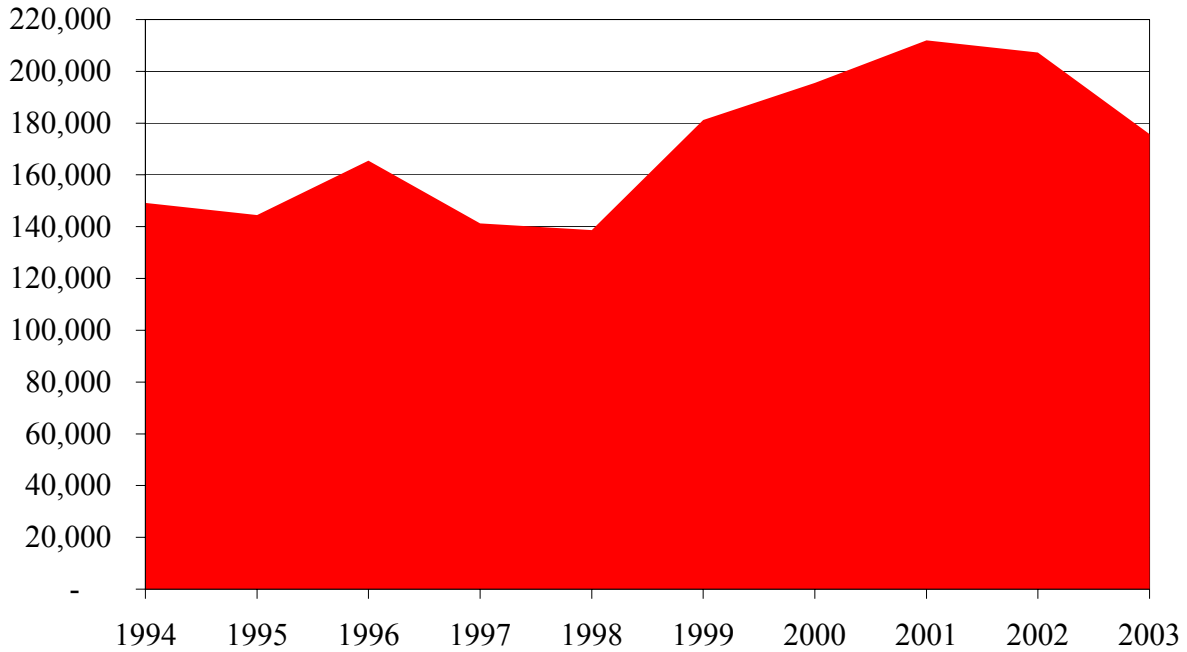
Rounds of Golf



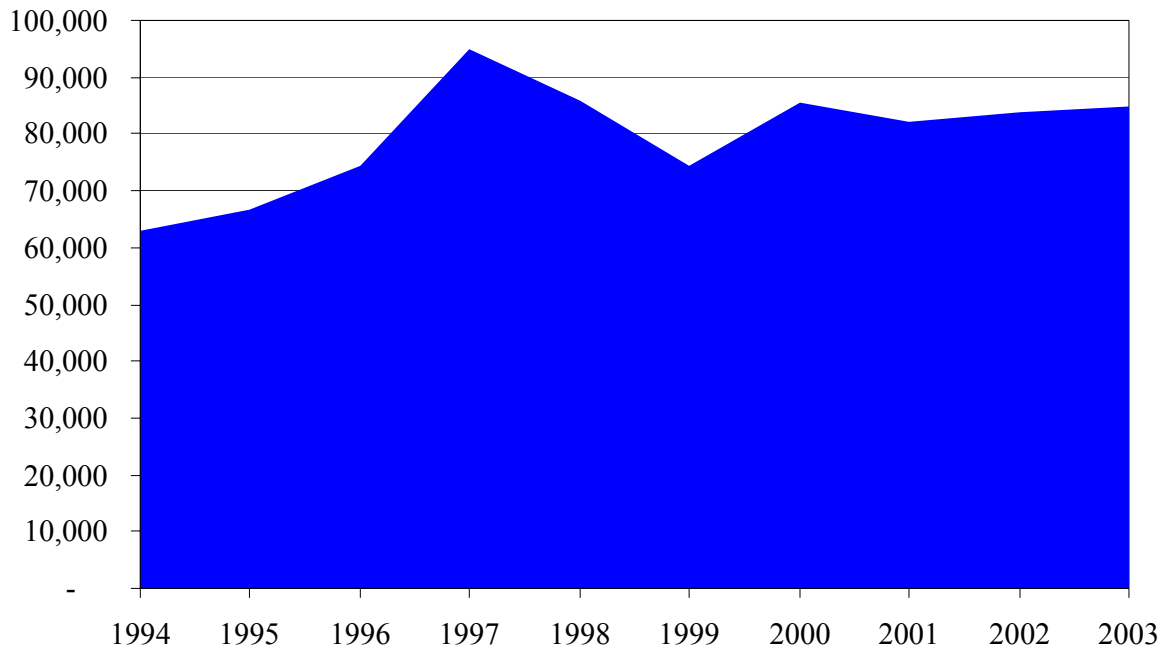
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**HAMILTON COUNTY PARK DISTRICT
FACILITIES UTILIZATION
Last Ten Years**

Visitor Center Attendance



Program Attendance



**HAMILTON COUNTY PARK DISTRICT
PARK FACILITIES AND RECREATIONAL ACTIVITIES**

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



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

Board of Park Commissioners
Hamilton County Park District
Cincinnati, Ohio

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Hamilton County Park District as of and for the year ended December 31, 2003, which collectively comprise its basic financial statements and have issued our report thereon dated May 11, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Organization's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying schedule of findings and questioned costs as item 2003-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness. We also noted other matters involving the internal control over financial reporting and its operation that we have reported to the Organization's management in a separate letter dated May 11, 2004

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

BKD, LLP

May 11, 2004

**Hamilton County Park District
Schedule of Findings and Questioned Costs
Year Ended December 31, 2003**

Reference Number	Finding
2003-1.	<p>In 2002, we reported several issues related to the internally developed accounting software package which is not supported by anyone other than the controller who wrote the package. Additionally, there is incompatibility between the controller's role in the cash receipts and cash disbursements functions and his unlimited access to the system. Finally, certain internal controls that should be in place for in-house designed software are not in place at the Park District. There is virtually no supervision in programming changes or data access changes. There are no formalized procedures regarding programming or reporting changes and live data is used in these changes. These situations still exist at December 31, 2003</p> <p>Implementation of new software and the related changes that must be made to related procedures is a time consuming process. We understand management has begun this process and has performed research on available packaged software for local governments and has entered into discussions with potential software consultants. We believe this is an appropriate start to addressing these control weaknesses and recommend that the search be expedited to timely implement a new accounting and reporting software package. In connection with the implementation of new accounting software, assigned duties of all accounting personnel should be evaluated to ensure appropriate segregation.</p>

**Hamilton County Park District
Schedule of Prior Findings and Questioned Costs
Year Ended December 31, 2003**

Reference Number	Finding
2002-1.	In 2002, we reported several issues related to the internally developed accounting software package See modified comment at 2003-1 in the current year report.
2002-2.	In 2002, we reported that the accounts payable clerk and controller had nearly unlimited access to the signature plate for writing checks. We noted in our 2003 audit that this deficiency was corrected and appropriate physical controls have been implemented to properly segregate check writing duties.



**Auditor of State
Betty Montgomery**

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Columbus, Ohio 43216-1140

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800-282-0370

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HAMILTON COUNTY PARK DISTRICT

HAMILTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 1, 2004**