



**Auditor of State
Betty Montgomery**

O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report.....	1
Management's Discussion and Analysis.....	3
Basic Financial Statements:	
Statement of Net Assets – Cash Basis – December 31, 2005	11
Statement of Activities – Cash Basis – For the Year Ended December 31, 2005.....	12
Statement of Cash Basis Assets and Fund Balances Governmental Funds – December 31, 2005.....	13
Statement of Cash Receipts, Disbursements, and Changes in Cash Basis Fund Balances Governmental Funds – For the Year Ended December 31, 2005.....	14
Statement of Receipts, Disbursements and Changes in Fund Balance- Budget and Actual- Budget Basis General Fund – For the Year Ended December 31, 2005.....	15
Statement of Net Assets – Cash Basis – December 31, 2004	16
Statement of Activities – Cash Basis – For the Year Ended December 31, 2004.....	17
Statement of Cash Basis Assets and Fund Balances Governmental Funds – December 31, 2004.....	18
Statement of Cash Receipts, Disbursements, and Changes in Cash Basis Fund Balances Governmental Funds – For the Year Ended December 31, 2004.....	19
Statement of Receipts, Disbursements and Changes in Fund Balance- Budget and Actual- Budget Basis General Fund – For the Year Ended December 31, 2004.....	20
Notes to the Financial Statements	21
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	29

This page intentionally left blank.



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

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

To the Board of Park District Commissioners:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of O.O. McIntyre Park District, Gallia County, Ohio (the District), as of and for the years ended December 31, 2005 and 2004, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the O.O. McIntyre Park District, Gallia County, Ohio, as of December 31, 2005 and 2004, and the respective changes in cash financial position and the respective budgetary comparison for the General Fund thereof for the years then ended in conformity with the basis of accounting Note 2 describes.

For the years ended December 31, 2005 and 2004, the District revised its financial presentation comparable to the requirements of Governmental Accounting Standard No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 24, 2006, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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

Betty Montgomery
Auditor of State

August 24, 2006

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004
UNAUDITED**

The discussion and analysis of O.O. McIntyre Park District's (the District) financial performance provides an over all review of the District's financial activities for the years ended December 31, 2005 and December 31, 2004 within the limitations of the District's cash basis of accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2005 and 2004 are as follows:

- Net assets of governmental activities for 2005 increased by \$50,545 or 10 percent over 2004, a significant change from the prior year. The reason for the increase was primarily due to a Healthy Ohioans Youth Pilot Project (HOYPP) Grant. This grant is funding for an after school program for the 2005-2006 school year.
- The District's general receipts are primarily property taxes. Property tax receipts increased 8% in 2005 over 2004 due to property tax adjustments within the District.

Using the Basic Financial Statements

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

Report Components

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

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

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

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004
UNAUDITED
(Continued)**

Basis of Accounting

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

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

Reporting the District as a Whole

The Statement of Net Assets and the Statement of Activities reflect how the District did financially during 2005 and 2004, within the limitations of cash basis accounting. The Statement of Net Assets presents the cash balances of the governmental activities of the District at year end. The Statement of Activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the District's general receipts.

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

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

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

Reporting the District's Most Significant Funds

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

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004
UNAUDITED
(Continued)**

The District as a Whole

Table 1 provides a summary of the District's net assets for 2005 compared to 2004 on a cash basis:

(Table 1)
Net Assets

	Governmental Activities 2005	Governmental Activities 2004
Assets		
Cash and Cash Equivalents	\$535,244	\$484,699
Total Assets	\$535,244	\$484,699
Net Assets		
Restricted for:		
Capital Projects	\$472,201	\$426,570
Other Purposes	0	1,061
Unrestricted	63,043	57,068
Total Net Assets	\$535,244	\$484,699

Over time, net assets can serve as a useful indicator of a government's financial position. The District's finances remained strong during 2005 and 2004 despite the decline in the economy. Net assets for governmental activities increased in the General Fund in 2005 primarily due to a restructuring of staffing.

Table 2 reflects the changes in net assets for 2005 and 2004.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004
UNAUDITED
(Continued)**

(Table 2)
Changes in Net Assets

	Governmental Activities 2005	Governmental Activities 2004
Receipts:		
Program Receipts:		
Charges for Services and Sales	\$31,976	\$31,166
Operating Grants and Contributions	17,892	2,059
Capital Grants and Contributions	12,529	42,605
Total Program Receipts	<u>62,397</u>	<u>75,830</u>
General Receipts:		
Property and Local Taxes	269,179	248,570
Grants and Entitlements Not Restricted to Specific Programs	100,487	100,680
Interest	18,011	21,575
Miscellaneous	2,226	360
Total General Receipts	<u>389,903</u>	<u>371,185</u>
Total Receipts	<u>452,300</u>	<u>447,015</u>
Disbursements:		
Salaries	154,225	148,789
Supplies	51,162	38,154
Material	3,943	7,452
Equipment	15,854	9,315
Contract Repair	1,912	1,554
Contract Services	50,547	48,727
Advertising & Printing	1,666	2,093
Travel	4,702	3,308
PERS	20,646	23,978
Workers Comp	2,444	4,686
Unemployment	0	2,032
Other	8,271	3,822
Medicare / Hospitalization	49,123	44,728
Capital Outlay	28,336	53,229
Auditor's Fees	8,924	7,947
Total Disbursements	<u>401,755</u>	<u>399,814</u>
Change in Net Assets	50,545	47,201
Net Assets, January 1	484,699	437,498
Net Assets, December 31	<u>\$535,244</u>	<u>\$484,699</u>

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004
UNAUDITED
(Continued)**

For 2005, net assets of the District's governmental activities increased \$50,545. For 2005, total governmental expenditures of \$401,755 were offset by program revenues of \$62,397 and general revenue of \$389,903. Program revenues supported 16% of the total governmental expenses. For 2004, total governmental expenditures of \$399,814 were offset by program revenues of \$75,830 and general revenues of \$371,185. Program revenues supported 19% of the total governmental expenses.

The primary source of revenue for governmental activities is derived from property tax receipts. These revenue sources represent 60% of total governmental revenue for 2005 and 56% of total governmental revenue for 2004.

Salaries expenses totaled \$154,225 or 38% of total governmental expenses for fiscal year 2005 and \$148,789 or 37% of total governmental expenses for 2004. These disbursements represent the overhead costs of running the District.

Governmental Activities

The Statement of Activities shows the cost of program services and charges for services and sales, operating grants and contributions, and capital grants and contributions offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2005 and 2004. That is, it identifies the cost of these services supported by property and local taxes and grants and entitlements not restricted to specific programs.

(Table 3)

Governmental Activities

	Total Cost Of Services 2005	Net Cost of Services 2005	Total Cost Of Services 2004	Net Cost of Services 2004
Salaries	\$154,225	(\$154,225)	\$148,789	(\$148,789)
Supplies	51,162	(1,294)	38,154	(4,819)
Material	3,943	(3,943)	7,452	(7,452)
Equipment	15,854	(15,854)	9,315	(9,315)
Contract Repair	1,912	(1,912)	1,554	(1,554)
Contract Services	50,547	(50,547)	48,727	(47,666)
Advertising & Printing	1,666	(1,666)	2,093	(2,093)
Travel	4,702	(4,702)	3,308	(3,308)
PERS	20,646	(20,646)	23,978	(23,978)
Workers Comp	2,444	(2,444)	4,686	(4,686)
Unemployment	0	0	2,032	(2,032)
Other	8,271	(8,271)	3,822	(3,822)
Medicare / Hospitalization	49,123	(49,123)	44,728	(44,728)
Capital Outlay	28,336	(15,807)	53,229	(11,795)
Auditor's Fees	8,924	(8,924)	7,947	(7,947)
Total Governmental Activities	\$401,755	(\$339,358)	\$399,814	(\$323,984)

The District's Funds

The District's governmental funds reported a combined fund balance of \$535,244 for 2005, which is \$50,545 more than the 2004 total of \$484,699. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2005 and 2004.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004
UNAUDITED
(Continued)**

(Table 4)
Governmental Fund Balances

	Fund Balance, December 31		Increase	Change
	2005	2004	(Decrease)	
General	\$63,043	\$57,068	\$5,975	10.47%
Capital Improvement and Development Fund	87,405	96,777	(9,372)	-9.68%
Capital Development Trust Fund	294,903	283,570	11,333	4.00%
Other Governmental	89,893	47,284	42,609	90.11%
Total Fund Balance	\$535,244	\$484,699	\$50,545	10.43%

General Fund Budgeting Highlights

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

During 2005, the District amended its General Fund budget as needed. Final budgeted receipts including other financing sources of \$425,278 reflect an increase of \$53,052 from the original budgeted amount of \$372,226. This was the result of higher than anticipated intergovernmental revenues. The difference between final budgeted receipts and actual receipts was \$6 less than final budget estimates.

Final disbursements and other financing uses were budgeted at \$427,574 while actual amounts were \$6,177 lower at \$421,397. This difference is the result of the District's practice to budget all available resources while being conservative when making actual expenditures.

During 2004, the District amended its General Fund budget as needed. Final budgeted receipts of \$390,071 reflect an increase of \$7,677 from the original budgeted amount of \$382,394. This was the result of higher than anticipated intergovernmental revenues. The difference between final budgeted receipts and actual receipts was \$0 more than final budget estimates.

Final disbursements were budgeted at \$374,300 while actual amounts were \$19,842 lower at \$354,458. This difference is the result of the District's practice to budget all available resources while being conservative when making actual expenditures.

Capital Assets and Debt Administration

Capital Assets

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

Debt

The District had no outstanding debt at December 31, 2005 or December 31, 2004.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004
UNAUDITED
(Continued)**

Current Issues

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

Contacting the District's Financial Management

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

This page intentionally left blank.

O.O. McIntyre Park District, Gallia County

Statement of Net Assets - Cash Basis

December 31, 2005

	<u>Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$535,244</u>
<i>Total Assets</i>	<u><u>\$535,244</u></u>
Net Assets	
Restricted for:	
Capital Projects	\$472,201
Unrestricted	<u>63,043</u>
<i>Total Net Assets</i>	<u><u>\$535,244</u></u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County

*Statement of Activities - Cash Basis
For the Year Ended December 31, 2005*

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Assets	
	Cash Disbursements	Charges for Services & Sales	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities
Governmental Activities					
Salaries	\$154,225	\$	\$	\$	(\$154,225)
Supplies	51,162	31,976	17,892		(1,294)
Material	3,943				(3,943)
Equipment	15,854				(15,854)
Contract Repair	1,912				(1,912)
Contract Services	50,547				(50,547)
Advertising & Printing	1,666				(1,666)
Travel	4,702				(4,702)
PERS	20,646				(20,646)
Workers Comp	2,444				(2,444)
Other	8,271				(8,271)
Medicare / Hospitalization	49,123				(49,123)
Capital Outlay	28,336			12,529	(15,807)
Auditor's Fees	8,924				(8,924)
<i>Total Governmental Activities</i>	<u>\$401,755</u>	<u>\$31,976</u>	<u>\$17,892</u>	<u>\$12,529</u>	<u>(339,358)</u>
		General Receipts			
		Property and Other Local Taxes			269,179
		Intergovernmental			100,487
		Interest			18,011
		Miscellaneous			2,226
		<i>Total General Receipts</i>			<u>389,903</u>
		Change in Net Assets			50,545
		<i>Net Assets Beginning of Year</i>			<u>484,699</u>
		<i>Net Assets End of Year</i>			<u><u>\$535,244</u></u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County

Statement of Cash Basis Assets and Fund Balances

Governmental Funds

December 31, 2005

	<u>General Fund</u>	<u>Capital Improvement and Development Fund</u>	<u>Capital Development Trust Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$63,043	\$87,405	\$294,903	\$89,893	\$535,244
<i>Total Assets</i>	<u>\$63,043</u>	<u>\$87,405</u>	<u>\$294,903</u>	<u>\$89,893</u>	<u>\$535,244</u>
Fund Balances					
Reserved:					
Reserved for Encumbrances	\$2,100	\$0	\$0	\$0	\$2,100
Unreserved:					
Undesignated (Deficit), Reported in:					
General Fund	60,943				60,943
Capital Projects Funds		87,405	294,903	89,893	472,201
<i>Total Fund Balances</i>	<u>\$63,043</u>	<u>\$87,405</u>	<u>\$294,903</u>	<u>\$89,893</u>	<u>\$535,244</u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2005

	General Fund	Capital Improvement and Development Fund	Capital Development Trust Fund	Other Governmental Funds	Total Governmental Funds
Receipts					
Property and Other Local Taxes	\$269,179	\$	\$	\$	\$269,179
Fees	30,221				30,221
Sales & Rentals	1,755				1,755
Gifts & Donations	2,392				2,392
Intergovernmental	117,987	10,529			128,516
Interest	1,821	3,248	9,963	2,979	18,011
Miscellaneous	686		1,370	170	2,226
<i>Total Receipts</i>	<u>424,041</u>	<u>13,777</u>	<u>11,333</u>	<u>3,149</u>	<u>452,300</u>
Disbursements					
Current:					
Salaries	154,225				154,225
Supplies	51,162				51,162
Material	3,943				3,943
Equipment	7,429			8,425	15,854
Contract Repair	1,912				1,912
Contract Services	48,712	1,835			50,547
Advertising & Printing	1,666				1,666
Travel	4,702				4,702
PERS	20,646				20,646
Workers Comp	2,444				2,444
Other	6,387			1,884	8,271
Medicare / Hospitalization	49,123				49,123
Capital Outlay	7,022	21,314			28,336
Auditor's Fees	8,924				8,924
<i>Total Disbursements</i>	<u>368,297</u>	<u>23,149</u>	<u>0</u>	<u>10,309</u>	<u>401,755</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>55,744</u>	<u>(9,372)</u>	<u>11,333</u>	<u>(7,160)</u>	<u>50,545</u>
Other Financing Sources (Uses)					
Transfers In	1,231			51,000	52,231
Transfers Out	(51,000)			(1,231)	(52,231)
<i>Total Other Financing Sources (Uses)</i>	<u>(49,769)</u>	<u>0</u>	<u>0</u>	<u>49,769</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	5,975	(9,372)	11,333	42,609	50,545
<i>Fund Balances Beginning of Year</i>	<u>57,068</u>	<u>96,777</u>	<u>283,570</u>	<u>47,284</u>	<u>484,699</u>
<i>Fund Balances End of Year</i>	<u>\$63,043</u>	<u>\$87,405</u>	<u>\$294,903</u>	<u>\$89,893</u>	<u>\$535,244</u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
General Fund
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>			(Optional)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Receipts				
Property and Other Local Taxes	\$334,224	\$358,288	\$269,179	(\$89,109)
Fees	17,142	30,221	30,221	0
Sales & Rentals	996	1,755	1,755	0
Gifts & Donations	1,357	2,391	2,392	1
Intergovernmental	16,382	28,878	117,987	89,109
Interest	1,034	1,822	1,821	(1)
Miscellaneous	1,091	692	686	(6)
<i>Total Receipts</i>	<u>372,226</u>	<u>424,047</u>	<u>424,041</u>	<u>(6)</u>
Disbursements				
Current:				
Salaries	158,000	157,000	154,225	2,775
Supplies	30,000	52,315	51,662	653
Material	4,000	4,000	3,943	57
Equipment	7,000	7,959	7,429	530
Contract Repair	2,500	2,500	1,912	588
Contract Services	55,000	48,000	49,212	(1,212)
Advertising & Printing	3,000	3,000	2,166	834
Travel	3,000	5,000	4,802	198
PERS	35,300	29,300	20,646	8,654
Workers Comp	2,500	2,500	2,444	56
Unemployment	5,000	0	0	0
Other	5,000	6,000	6,387	-387
Medicare / Hospitalization	56,000	50,000	49,123	877
Capital Outlay	0	0	7,522	(7,522)
Auditor's Fees	8,000	9,000	8,924	76
<i>Total Disbursements</i>	<u>374,300</u>	<u>376,574</u>	<u>370,397</u>	<u>6,177</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(2,074)</u>	<u>47,473</u>	<u>53,644</u>	<u>(6,183)</u>
Other Financing Sources (Uses)				
Transfers In		1,231	1,231	0
Transfers Out	0	(51,000)	(51,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(49,769)</u>	<u>(49,769)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(2,074)</u>	<u>(2,296)</u>	<u>3,875</u>	<u>(6,183)</u>
<i>Fund Balance Beginning of Year</i>	53,330	53,330	53,330	0
Prior Year Encumbrances Appropriated	<u>3,738</u>	<u>3,738</u>	<u>3,738</u>	<u>3,738</u>
<i>Fund Balance End of Year</i>	<u>\$54,994</u>	<u>\$54,772</u>	<u>\$60,943</u>	<u>(\$2,445)</u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County

Statement of Net Assets - Cash Basis

December 31, 2004

	<u>Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$484,699</u>
<i>Total Assets</i>	<u><u>\$484,699</u></u>
Net Assets	
Restricted for:	
Capital Projects	\$426,570
Other Purposes	1,061
Unrestricted	<u>57,068</u>
<i>Total Net Assets</i>	<u><u>\$484,699</u></u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2004

	General Fund	Capital Improvement and Development Fund	Capital Development Trust Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$57,068	\$96,777	\$283,570	\$47,284	\$484,699
<i>Total Assets</i>	<u>\$57,068</u>	<u>\$96,777</u>	<u>\$283,570</u>	<u>\$47,284</u>	<u>\$484,699</u>
Fund Balances					
Reserved:					
Reserved for Encumbrances	\$3,738	\$0	\$0	\$0	\$3,738
Unreserved:					
Undesignated (Deficit), Reported in:					
General Fund	53,330				53,330
Special Revenue Fund				1,061	1,061
Capital Projects Funds		96,777	283,570	46,223	426,570
<i>Total Fund Balances</i>	<u>\$57,068</u>	<u>\$96,777</u>	<u>\$283,570</u>	<u>\$47,284</u>	<u>\$484,699</u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2004

	General Fund	Capital Improvement and Development Fund	Capital Development Trust Fund	Other Governmental Funds	Total Governmental Funds
Receipts					
Property and Other Local Taxes	\$248,570	\$	\$	\$	\$248,570
Fees	30,194				30,194
Sales & Rentals	972				972
Gifts & Donations	2,059		110		2,169
Intergovernmental	106,395	35,719		1,061	143,175
Interest	1,521	4,632	13,286	2,136	21,575
Miscellaneous	360				360
<i>Total Receipts</i>	<u>390,071</u>	<u>40,351</u>	<u>13,396</u>	<u>3,197</u>	<u>447,015</u>
Disbursements					
Current:					
Salaries	148,789				148,789
Supplies	38,154				38,154
Material	7,452				7,452
Equipment	7,736			1,579	9,315
Contract Repair	1,554				1,554
Contract Services	48,727				48,727
Advertising & Printing	2,093				2,093
Travel	3,308				3,308
PERS	23,978				23,978
Workers Comp	4,686				4,686
Unemployment	2,032				2,032
Other	3,822				3,822
Medicare / Hospitalization	44,728				44,728
Capital Outlay	5,714	47,515			53,229
Auditor's Fees	7,947				7,947
<i>Total Disbursements</i>	<u>350,720</u>	<u>47,515</u>	<u>0</u>	<u>1,579</u>	<u>399,814</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>39,351</u>	<u>(7,164)</u>	<u>13,396</u>	<u>1,618</u>	<u>47,201</u>
<i>Fund Balances Beginning of Year</i>	<u>17,717</u>	<u>103,941</u>	<u>270,174</u>	<u>45,666</u>	<u>437,498</u>
<i>Fund Balances End of Year</i>	<u>\$57,068</u>	<u>\$96,777</u>	<u>\$283,570</u>	<u>\$47,284</u>	<u>\$484,699</u>

See accompanying notes to the basic financial statements

O.O. McIntyre Park District, Gallia County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
General Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>			(Optional)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Receipts				
Property and Other Local Taxes	\$334,224	\$337,656	\$248,570	(\$89,086)
Fees	27,751	30,196	30,194	(2)
Sales & Rentals	891	970	972	2
Gifts & Donations	1,893	2,060	2,059	(1)
Intergovernmental	15,906	17,307	106,395	89,088
Interest	1,397	1,520	1,521	1
Miscellaneous	332	362	360	(2)
<i>Total Receipts</i>	<u>382,394</u>	<u>390,071</u>	<u>390,071</u>	<u>0</u>
Disbursements				
Current:				
Salaries	158,000	155,000	148,789	6,211
Supplies	30,000	37,000	39,844	(2,844)
Material	4,000	4,000	7,452	(3,452)
Equipment	7,000	8,000	7,736	264
Contract Repair	2,500	2,500	1,554	946
Contract Services	55,000	51,000	49,975	1,025
Advertising & Printing	3,000	3,000	2,393	607
Travel	3,000	4,000	3,308	692
PERS	35,300	35,300	23,978	11,322
Workers Comp	2,500	4,700	4,686	14
Unemployment	5,000	4,000	2,032	1,968
Other	5,000	5,000	4,322	678
Medicare / Hospitalization	56,000	52,800	44,728	8,072
Capital Outlay	0	0	5,714	(5,714)
Auditor's Fees	8,000	8,000	7,947	53
<i>Total Disbursements</i>	<u>374,300</u>	<u>374,300</u>	<u>354,458</u>	<u>19,842</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>8,094</u>	<u>15,771</u>	<u>35,613</u>	<u>(19,842)</u>
<i>Fund Balance Beginning of Year</i>	<u>17,717</u>	<u>17,717</u>	<u>17,717</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$25,811</u>	<u>\$33,488</u>	<u>\$53,330</u>	<u>(\$19,842)</u>

See accompanying notes to the basic financial statements

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004**

Note 1 – Reporting Entity

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

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

A. Primary Government

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

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

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

B. Component Units

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

Note 2 – Summary of Significant Accounting Policies

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

O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

A. Basis of Presentation

The District's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

B. Fund Accounting

The District uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use.

Governmental Funds

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004
(Continued)**

Note 2 – Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting

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

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

D. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the District may appropriate.

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

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

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

E. Cash

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

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

Following Ohio statutes, interest is allocated to the District's funds. Interest receipts credited to the General Fund during fiscal year 2005 and 2004 were \$1,821 and \$1,521, respectively, and \$16,190 and \$20,054, respectively, was credited to other District funds.

O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

F. Restricted Assets

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

G. Capital Assets

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

H. Accumulated Leave

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

I. Employer Contributions to Cost-Sharing Pension Plans

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

J. Net Assets

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

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

K. Fund Balance Reserves

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

L. Interfund Transactions

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004
(Continued)**

Note 3 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statements of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the general fund and creek bend farm fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference(s) between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to \$2,100 and \$3,738 for the General Fund for 2005 and 2004, respectively. There were no encumbrances outstanding in the Capital Improvement and Development Fund or the Capital Development Trust Fund.

Note 4 – Deposits

The Gallia County Treasurer maintains a cash pool used by all funds, including those of the District. The Ohio Revised Code prescribes allowable deposits. The District's carrying amount of cash on deposit with the County at December 31, 2005 and December 31, 2004 was \$535,244 and \$484,699, respectively. The Gallia County Treasurer, as fiscal agent for the District, is responsible for maintaining adequate depository collateral for all funds in the County's pooled and deposit accounts.

Note 5 – Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the District. Real property tax receipts received in 2005 represent the collection of 2004 taxes. Real property taxes received in 2005 were levied after October 1, 2004, on the assessed values as of January 1, 2004, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax receipts received in 2005 represent the collection of 2004 taxes. Public utility real and tangible personal property taxes received in 2004 became a lien on December 31, 2003, were levied after October 1, 2004, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax receipts received in 2005 (other than public utility property) represent the collection of 2005 taxes. Tangible personal property taxes received in 2005 were levied after October 1, 2004, on the true value as of December 31, 2004. Tangible personal property is currently assessed at 25 percent of true value for capital assets and 23 percent for inventory. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004
(Continued)**

Note 5 – Property Taxes (Continued)

The full tax rate for all District operations for the years ended December 31, 2005 and 2004, was 0.5 mills. The assessed values of real property, public utility property, and tangible personal property upon which property tax receipts were based are as follows:

	2005	2004
Real Property		
Agricultural	\$64,884,570	\$62,852,340
Residential	191,499,150	187,466,460
Commercial/Industrial/Mineral	<u>104,364,650</u>	<u>106,760,070</u>
 Tangible Personal Property	 <u>\$360,748,370</u>	 <u>\$357,078,870</u>
Public Utility		
Real	\$148,570,260	\$143,157,690
Personal	<u>46,873,588</u>	<u>44,034,750</u>
 Total Assessed Value	 <u>\$556,192,218</u>	 <u>\$544,271,310</u>

Note 6 – Interfund Transfers

The following transfers were made:

From:	To:	2005 Amount
General Fund	Replacement Fund	\$51,000
Federal Emergency Management Agency Fund	General Fund	\$1,231

The transfer to the Replacement Fund represents monies to be used for the purchase of replacement equipment. The transfer to the General Fund represents reimbursement for monies expended from the General Fund for slippage repair.

Note 7 – Risk Management

The District has insurance through a private carrier. Coverage is subject to deductibles and scheduled property. The following risks are covered by their policy:

- Contractor's Equipment Coverage
- Misc. Floater Coverage
- Fine Arts Coverage
- Commercial Property Coverage (Park location and Bridges)

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004
(Continued)**

Note 8 – Defined Benefit Pension Plans

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

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705 or (800) 222-7377.

For the years ended December 31, 2005 and December 31, 2004, the members of all three plans were required to contribute 8.5 percent of their annual covered salaries. The District's contribution rate for pension benefits for 2005 and 2004 was 13.55 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

Note 9 - Postemployment Benefits

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2005 employer contribution rate was 13.55 percent of covered payroll; 4.00 percent was the portion used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2005, include a rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees), and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 4 percent annually after eight years.

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

O.O. MCINTYRE PARK DISTRICT
GALLIA COUNTY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004
(Continued)

Note 9 - Postemployment Benefits (Continued)

The number of active contributing participants in the traditional and combined plans was 376,109. Actual employer contributions for 2005 which were used to fund postemployment benefits were \$13,924. The actual contribution and the actuarial required contribution amounts are the same. OPERS's net assets available for the payment of benefits at December 31, 2004 (the latest information available), was \$10.8 billion. The actuarial accrued liability and the unfunded actuarial accrued liability were \$29.5 billion and \$18.7 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs.

Note 10 – Contingent Liabilities

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



Auditor of State Betty Montgomery

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

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

To the Board of Park District Commissioners:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the O.O. McIntyre Park District, Lawrence County, Ohio (the District), as of and for the years ended December 31, 2005 and 2004, which collectively comprise the District's basic financial statements and have issued our report thereon dated August 24, 2006, wherein we noted the District revised its financial presentation comparable to the requirements of Governmental Accounting Standards Board Statement No. 34.. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting to determine our auditing procedures in order to express our opinions on the basic financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses.

Compliance and Other Matters

As part of reasonably assuring whether the District's basic financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*. In a separate letter to the Cemetery's management dated August 24, 2006, we reported other matters related to noncompliance we deemed immaterial.

743 E. State St. / Athens Mall Suite B / Athens, OH 45701
Telephone: (740) 594-3300 (800) 441-1389 Fax: (740) 594-2110
www.auditor.state.oh.us

O.O. McIntyre Park District
Gallia County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

We intend this report solely for the information and use of the management and the Board of Park District Commissioners. It is not intended for anyone other than these specified parties.

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

Betty Montgomery
Auditor of State

August 24, 2006



**Auditor of State
Betty Montgomery**

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

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

O.O. MCINTYRE PARK DISTRICT

GALLIA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 14, 2006**