

**LAKE METROPARKS
LAKE COUNTY, OHIO**

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2016**

James G. Zupka, CPA, Inc.
Certified Public Accountants



Dave Yost • Auditor of State

Board of Park Commissioners
Lake Metroparks District
11211 Spear Road
Concord Township, Ohio 44077

We have reviewed the *Independent Auditor's Report* of the Lake Metroparks District, Lake County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2016 through December 31, 2016. 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 Lake Metroparks District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

June 5, 2017

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**LAKE METROPARKS
LAKE COUNTY, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016**

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JAMES G. ZUPKA, C.P.A., INC.

*Certified Public Accountants
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Ohio Society of Certified Public Accountants

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Park Commissioners
Lake Metroparks
Concord Twp., Ohio

The Honorable Dave Yost
Auditor of State
State of Ohio

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lake Metroparks, Lake County, Ohio, (the Park District) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements, and have issued our report thereon dated April 17, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Lake Metroparks's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Lake Metroparks's internal control. Accordingly, we do not express an opinion on the effectiveness of the Lake Metroparks's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Lake Metroparks's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Lake Metroparks's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lake Metroparks's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



James G. Zupka, CPA, Inc.
Certified Public Accountants

April 17, 2017

**LAKE METROPARKS
LAKE COUNTY, OHIO
STATUS OF PRIOR FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016**

The prior audit report, as of December 31, 2015, included no findings or management letter recommendations.

LAKE METROPARKS

Comprehensive Annual Financial Report

Lake County, Ohio | For the year ended December 31, 2016

2016



LAKE METROPARKS, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016

prepared by the Finance Division



PARK OFFICIALS AS OF DECEMBER 31, 2016

Judge Mark J. Bartolotta
Lake County Probate Judge
Term Expires 2-08-21

Board of Park Commissioners

John C. Redmond, CPA
Term Expires 12-31-17

Gretchen Skok DiSanto
Term Expires 12-31-19

Frank J. Polivka
Term Expires 12-31-18

Executive Director
Paul B. Palagyi

Legal Counsel
Mark A. Zicarelli
Russell J. Meraglio, Jr.

Chief Financial Officer
Christopher J. Brassell, CPA

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**LAKE METROPARKS, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2016**

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Introductory Section





April 17, 2017

To the Citizens of Lake County
To the Honorable Probate Judge Mark J. Bartolotta
To the Board of Park Commissioners:
Gretchen Skok DiSanto
Frank J. Polivka
John C. Redmond, CPA

Lake Metroparks
Administrative Offices
11211 Spear Road
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440-639-7275
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Lake County Probate Judge
Mark J. Bartolotta

Board of Park Commissioners
Gretchen Skok DiSanto
Frank J. Polivka
John C. Redmond, CPA

Executive Director
Paul B. Palagyi

Formal Letter of Transmittal

We are pleased to submit the 27th Comprehensive Annual Financial Report (CAFR) for Lake Metroparks (hereafter, also referred to as the “Park District”). This report conforms to Generally Accepted Accounting Principles (GAAP) and provides full and complete disclosure of the financial position and operations of the Park District for the year ended December 31, 2016. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Park District’s management. To the best of our knowledge and beliefs, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position of the entity as a whole and results of operations of the various funds of the Park District. All disclosures necessary to enable the reader to gain an understanding of the Park District’s financial activities have been included.

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, deferred outflows, liabilities, deferred inflows, revenues, and expenditures or expenses, as appropriate.

The Park District has established various funds to segregate activities to comply with legal requirements for segregation, to better facilitate management control, or 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.

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.

Park District Profile

The Park District was created in 1958 under the authority of Chapter 1545 of the Ohio Revised Code. The Park District consists of 45 units of park lands, 37 of which have public use amenities. Its boundaries are coterminous with the boundaries of Lake County, Ohio, located immediately east of Cuyahoga County, west of Ashtabula County and north of Geauga County. The southern shoreline of Lake Erie forms the northern boundary of the Park District. The Park District is operated by a three-member board appointed by the Judge of the Lake County Probate Court for three-year alternating terms. The Board of Park Commissioners appoints an Executive Director who serves as the chief executive officer for the Park District. The Board of Park Commissioners also retains a legal counsel and prosecutor.

Individual funds of the Park District are grouped into three generic fund types (governmental funds, proprietary fund, and a fiduciary fund) in the accompanying financial statements. (Refer to the Notes to Basic Financial Statements for a discussion of all of the generic fund types presently prescribed by GAAP.)

Economic Condition and Outlook

Lake County, geographically the smallest county in the State of Ohio, is considered part of the Greater Cleveland metropolitan area. The industrial base of the County consists of chemical manufacturing and research, textile products, wire and wire mesh products, rock salt mining, plastic and plastic products, metal stamping, tooling, and custom machinery. The western half of the County is highly developed with industrial and commercial corporations and residential properties. In the eastern half of the County, nursery businesses provide significant economic contributions. The eastern and southeastern portions of the County are experiencing increased residential development. This trend is expected to continue. As of December 31, 2016, Lake County's unemployment rate was 4.7 percent, the national rate was 4.7 percent, and the state rate was 4.9 percent.

Major Initiatives and Accomplishments 2016

The Park District continues to maintain clean and safe parks while providing affordable and safe recreational and educational experiences for park patrons. Our first priorities continue to be providing clean and safe parks for our visitors. In 2016, our visitation increased by approximately 14.7 percent to over 3.3 million. These visits occurred through park sponsored programs, educational school programs, special events and festivals, golf and outdoor recreational pursuits.

2016 Major Accomplishments:

2016 was a productive year for the Park District. We enjoyed a wonderful summer which resulted in higher than normal visitation throughout the Park District. We continued our efforts to add amenities that will enhance our visitors' experiences in their parks including:

- Opening of a new 50 foot tall observation tower at Lake Erie Bluffs;
- A new family-friendly playground in Showman's Circle at the Farmpark;
- A new shelter and flush restrooms at Skok Meadow; and
- A new shelter, parking lot, restroom and boat launch at Beaty Landing.

Outlook for 2017:

In 2017, we are continuing efforts to improve access to the parks for visitors with new amenities including:

- A new 200 foot long public pier at Painesville Township Park along with associated ADA accessible trails;
- A new public shelter and playground at Hidden Lake in conjunction with a new flush restroom which was installed this year;
- A Nature Play Area at Penitentiary Glen;
- Construction of stairs leading down to the beach from the shelter at Lake Erie Bluffs;
- New trail linking Hidden Lake Park to Hell Hollow Park; and

- Improved exhibits at the Plant Science Center at the Farmpark.

The Park District had a renewal levy on the May 6, 2014 ballot. This levy renewed our existing 1.9 mill levy which constitutes approximately 58 percent of general fund operating budget. Passage of this renewal allows the Park District to continue to provide clean and safe parks and outstanding outdoor education programs until 2022, when our existing 0.8 mill levy expires.

There are five funds within the Park District's 2017 budget:

- The General Fund represents the majority of the park systems personnel and daily operation expense – the expenditures of the General Fund are budgeted at \$18,789,444 including transfers of \$2,600,000 to the Improvement Fund and \$550,000 to the Golf Fund.
- The Improvement Fund allows for the purchase of the majority of the park systems capital assets. The park system is projected to expend \$3,450,500 for land, vehicles, equipment, improvements and repairs and replacement amenities on existing parklands.
- The Golf Fund has budgeted expenditures of \$2,034,805 which will provide for operational and capital equipment costs associated at both golf courses, Pine Ridge and Erie Shores.
- The Health and Life Fund and the Drug Enforcement Fund will be unchanged from last year with projected expenditures of \$1,534,000 for the Health and Life Fund, and \$4,500 for the Drug Enforcement Fund.

As in past years, it is understood that should additional funds be secured through federal or state funds, the Board of Park Commissioners may amend this budget to reflect any additional funds.

Service Efforts and Accomplishments

In 2009, URS was selected to develop a ten year strategic plan for the Park District. Late in 2011, the Park District completed the plan, have shared the plan with our constituents. This is a critical step in planning for the agency's future and meeting future funding needs. This plan will help chart the general direction for park acquisitions, scheduled improvements, and reassessment of service delivery. With current social and economic conditions being what they are, this planning process is essential for clarifying the long range direction of the park system.

Financial Information

The Park District's day-to-day accounting and budgetary records are maintained on a basis other than GAAP (budgetary). For financial reporting purposes the accounting records are converted to a modified accrual basis for all governmental funds and the accrual basis for the proprietary funds and entity-wide reporting. A further discussion of the basis of accounting can be found in Note 1 of the Notes to the Basic Financial Statements along with a reconciliation of budgetary basis to GAAP in Note 12.

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. Administrative control is maintained through the establishment of object line item budgets. Various departments are subject to performance budget reviews. Funds appropriated may not be expended for purposes other than those designated in the appropriation resolution. Purchase requisitions are used for all purchases of materials, services and supplies that exceed \$50. Purchase requisitions that exceed \$2,000 must be signed by the Executive Director and all purchases over \$50,000 must be approved by the Board of Park Commissioners. The Park Board reviews all contracts. Monthly cash reports are sent to the Executive Director, division heads, and the Board of Park Commissioners.

Internal Controls

The Park District's internal controls are reviewed annually as a part of an independent audit. In developing and revising the Park District's accounting and reporting control system, 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, and
- reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

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

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

Responsibility for budgetary control rests with individual divisions, which are given a printed budget report on a monthly basis after the approval of expenditures by the Board of Park Commissioners. The Finance Division also performs internal cash audits at all Park District locations. Bank reconciliations are conducted on a monthly basis and petty cash funds are reconciled on a quarterly basis.

General Fund

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Activities accounted for in the Park District's General Fund include administration, Farmpark, financial, rangers, registration, natural resources, Penitentiary Glen and outdoor education/recreation.

Special Revenue Fund

The Park District created the Drug Enforcement Fund to account for drug fines remitted by the courts. The funds are to be used for the prevention and detection of drug violations within the Park District.

Improvement Fund

The Improvement Fund is funded by grants and transfers from the General Fund. This fund supports land purchases and permanent improvements to the parks. The Improvement Fund received interest earnings as well as contributions. Total Improvement Fund level expenditures in 2016 were \$5,937,984, all of which were for capital expenditures.

Enterprise Fund

On January 1, 1993, the Park District began to account for golf operations as an Enterprise Fund. Prior to 1993, golf operations were accounted for as a Special Revenue Fund. The Park District operates two golf courses: Erie Shores Golf Course in Madison (eastern Lake County) and Pine Ridge Country Club, acquired in May 1993, located in Wickliffe (western Lake County). In 2016, the Enterprise Fund received a \$750,000 transfer from the General Fund for capital improvements at Erie Shores Golf Course and Pine Ridge Country Club.

Internal Service Fund

In March 1990, the Park District began a self-insured hospitalization program. During 2016, billings for services to other funds, employee share payment, and COBRA charges to participants represented 100 percent of the fund operating revenue or \$1,475,676. During 2016, claims expenses were \$937,453 or 73 percent of expenses. Premiums for administration

expense and stop-loss insurance, both in the aggregate and in the individual, were \$343,018 or 27 percent of expenses. This fund also generated \$1,198 in non-operating interest.

Current Financial Policies

Due to the current economic conditions, the Park District has taken more advantage of Certificates of Deposit and STAR Ohio as an investment opportunity due to its competitive return and immediate access to funds as opposed to longer term investments.

Independent Audit

Included in this report is an unmodified audit opinion rendered on the Park District's financial operations as well as its assets and liabilities at year-end 2016 by our independent auditors, James G. Zupka, CPA Inc. The Park District's management intends to continue to subject the financial statements to an annual independent audit as part of the preparation of this CAFR. An annual audit serves to maintain and strengthen the Park District's accounting and budgetary controls.

Park District Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (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, 2016. This was the 27th consecutive year that the Park District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the Park District must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

2016 APEX Awards:

(Organizer: Lake Communicators)

Lake Metroparks received eight awards for marketing projects submitted into the Lake Communicators* annual APEX Awards competition amongst advertisers, copywriters, public relations professionals, graphic designers, writers, photographers, videographers and other communications professionals working in or for clients in Lake, Geauga and Ashtabula Counties. Lake Metroparks won three first place ("Gold"), four second place ("Silver"), and one third place ("Bronze") awards:

Print Marketing – Catalogs

Gold: Lake Metroparks Parks Plus!

Print Marketing – Product Sheet/Flyer/Rack Card

Gold: Penitentiary Glen Reservation Events Card

Direct Mail – Single

Gold: Lake Metroparks Farmpark 25th Anniversary

Public Relations – Special Events

Silver: Lake Metroparks Farmpark 25th Anniversary

Print Marketing – Invite/Announcement

Silver: Lake Metroparks Winter Art Show: Burroughs Nature Club

Print Marketing – Poster/Banner

Silver: Fairport Harbor Lakefront Park Banner

Print Marketing – Brochure: Capabilities, Booklet or Pamphlet

Silver: Lake Metroparks Farmpark 25th Anniversary

Print Advertising – Single Ad

Bronze: Lake Metroparks Farmpark 25th Anniversary

**Lake Communicators is a Lake County-based organization for those in the marketing and communication fields in Northeast Ohio. The organization promotes and encourages responsible, creative, professional advertising, public relations and marketing efforts.*

This CAFR represents a continuing commitment by the Finance Division and the management of the Park District to provide prudent financial information of Park District resources and to demonstrate stewardship of the funds granted to the Park District by the voters of Lake County.

We would like to acknowledge support of the entire staff of the Park District, especially the Finance Division, for the tireless effort in developing this report. We would like to thank Edward Zupancic, Lake County Auditor, and his office for assistance in developing the statistical section.

We ask for continuing support in this project and in our efforts to provide financial stewardship and quality public service for the residents of Lake County.



Paul B. Palagyi
Executive Director



Christopher J. Brassell, CPA
Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Lake Metroparks
Ohio**

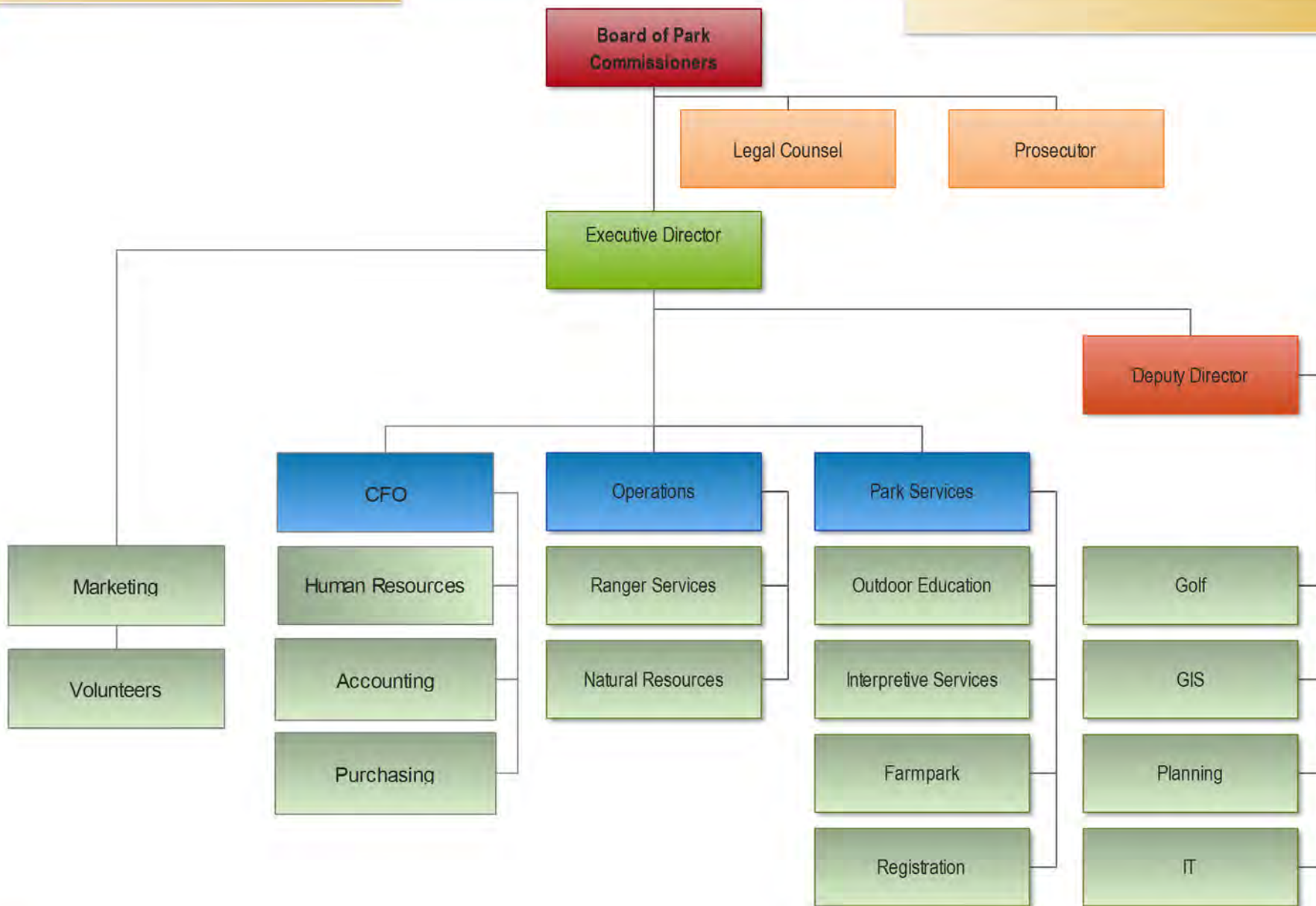
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

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Lake Metroparks Organizational Chart



6



Lake Metroparks
List of Principal Officials
December 31, 2016

Lake County Probate Judge

Honorable Judge Mark J. Bartolotta

Board of Park Commissioners

John C. Redmond, CPA, President
Gretchen Skok DiSanto, Vice President
Frank J. Polivka, Vice President

Executive Director

Paul B. Palagyi

Deputy Director

Vince D. Urbanski

Legal Counsel

Mark A. Zicarelli
Russell J. Meraglio, Jr.

Chief Financial Officer

Christopher J. Brassell, CPA

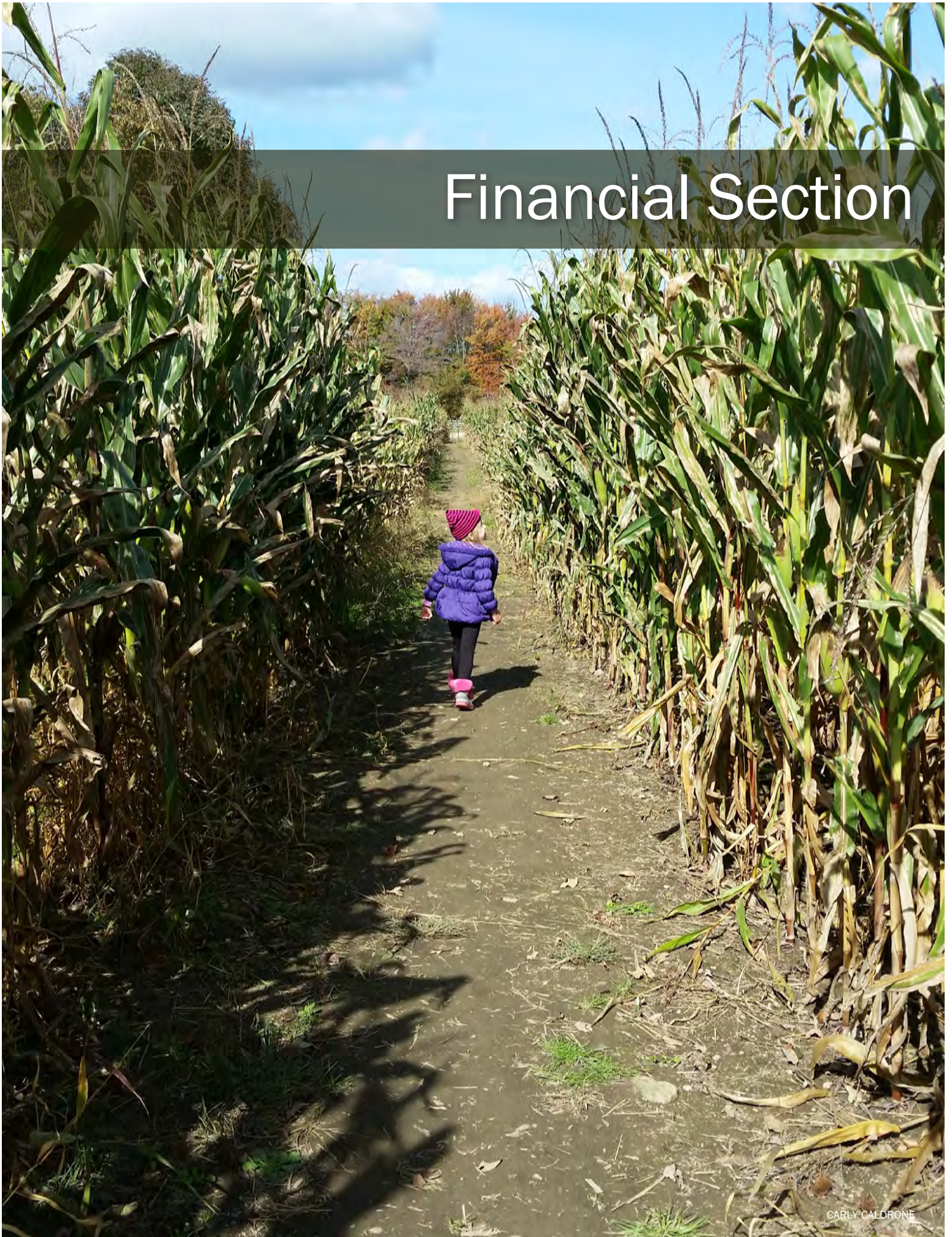
Park Services Director

Thomas A. Adair

Director of Park Operations

John P. Grantham II

Financial Section



JAMES G. ZUPKA, C.P.A., INC.

*Certified Public Accountants
5240 East 98th Street
Garfield Hts., Ohio 44125*

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Park Commissioners
Lake Metroparks
Concord Twp., Ohio

The Honorable Dave Yost
Auditor of State
State of Ohio

Report on the Financial Statements

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 Lake Metroparks, Lake County, Ohio, (the Park District) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 *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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Park District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Park District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 Lake Metroparks, Lake County, Ohio, as of December 31, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedules of Net Pension Liabilities and Pension Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lake Metroparks's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 17, 2017, on our consideration of the Lake Metroparks's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lake Metroparks's internal control over financial reporting and compliance.



James G. Zupka, CPA, Inc.
Certified Public Accountants

April 17, 2017

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Management's Discussion and Analysis of Lake Metroparks' (the "Park District") financial performance provides an overview of the Park District's financial activities for the fiscal year ended December 31, 2016. Please read it in conjunction with the Park District's basic financial statements, which begin on page 27.

Financial Highlights

- The results of the Park District's net position were an increase in net position in business-type and in governmental activities. Net position of our business-type activities increased by \$117,268 or 1.6 percent and the net position of our governmental activities increased by \$3,736,753 or 5.93 percent.
- Total cost of all of the Park District's programs was \$16,124,073 in 2016 compared to \$15,257,804 in 2015, an increase of \$866,269 or 5.7 percent.
- During the year, investment in capital assets increased in governmental activities by \$4,183,172 and investment in capital assets and goodwill decreased in business-type activities by \$56,130.

Using This Annual Report

This annual report consists of a series of financial statements. The *Statement of Net Position* and the *Statement of Activities* (on pages 27 and 28-29) provide information about the activities of the Park District as a whole and present a longer-term view of the Park District's finances. Fund financial statements start on page 30. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Park District's operations in more detail than the government-wide statements by providing information about the Park District's most financially significant funds.

Reporting the Park District as a Whole

The Statement of Net Position and the Statement of Activities

Our analysis of the Park District as a whole begins on page 16. One of the most important questions asked about the Park District's finances is, "Is the Park District as a whole better or worse off as a result of the year's activities?" The *Statement of Net Position* and the *Statement of Activities* report information about the Park District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Park District's net position and changes in them. You can think of the Park District's net position as the difference between assets, what the citizens own, and liabilities, what the citizens owe, as one way to measure the Park District's financial health or financial position. Over time increases or decreases in the Park District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors such as changes in the Park District's property tax base and the condition of the Park District's capital assets (roads, buildings, trails) to assess the overall health of the Park District.

In the *Statement of Net Position* and the *Statement of Activities* we divide the Park District into two types of activities:

- **Governmental Activities:** Most of the Park District's basic services are reported here, including parks and recreation and general administration. Property taxes and state and federal grants finance most of these activities.
- **Business-type Activities:** The Park District charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Park District's golf courses are reported here.

Reporting the Park District's Most Significant Funds

Fund Financial Statements

Our analysis of the Park District's major funds begins on page 21. The fund financial statements begin on page 30 and provide detailed information about the most significant funds, not the Park District as a whole. Some funds are required to be established by state law. However, the Park Board establishes other funds to help it control and manage money for particular purposes (example: Improvement Fund). The Park District's three types of funds are governmental, proprietary and fiduciary, which use different accounting approaches.

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 the modified accrual basis of 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 you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Park District's programs. We describe the relationship (or differences) between governmental activities (reported in the *Statement of Net Position* and the *Statement of Activities*) and governmental funds in reconciliations beside the fund financial statements.

Proprietary funds: When the Park District charges customers for the full cost of the services it provides, whether to outside customers or to other units of the Park District, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the *Statement of Net Position* and the *Statement of Activities*. In fact, the Park District's Enterprise Fund (a component of proprietary funds) is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. We utilize an internal service fund, the Hospitalization Fund, (the other component of proprietary funds) to report activities that provide hospitalization to the Park District's employees working under other programs.

Fiduciary fund: The Park District employs an Agency Fund to record amounts held by the Park District as a fiduciary for other governments and agencies.

The Park District as a Whole

The Park District's total governmental assets changed from a year ago, increasing from \$84,665,133 to \$88,630,353. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Park District's governmental and business-type activities.

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Management's Discussion and Analysis
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Table 1 - Net Position						
	Governmental		Business-type		Total	
	2016	2015	2016	2015	2016	2015
Assets						
Other Assets	\$29,444,118	\$29,662,070	\$559,252	\$349,398	\$30,003,370	\$30,011,468
Capital Assets and Goodwill	59,186,235	55,003,063	7,369,274	7,425,404	66,555,509	62,428,467
Total Assets	88,630,353	84,665,133	7,928,526	7,774,802	96,558,879	92,439,935
Deferred Outflows of Resources						
Pension	4,061,091	1,281,936	376,182	111,355	4,437,273	1,393,291
Liabilities						
Long-Term Outstanding	11,328,455	8,299,255	1,044,686	759,137	12,373,141	9,058,392
Other Liabilities	660,739	800,920	41,164	33,342	701,903	834,262
Total Liabilities	11,989,194	9,100,175	1,085,850	792,479	13,075,044	9,892,654
Deferred Inflow of Resources						
Property Taxes	13,767,199	13,731,630	0	0	13,767,199	13,731,630
Pension	204,792	121,758	19,514	11,602	224,306	133,360
Total Deferred Inflows of Resources	13,971,991	13,853,388	19,514	11,602	13,991,505	13,864,990
Investments in Capital						
Capital Assets and Goodwill	59,186,235	55,003,063	7,369,274	7,425,404	66,555,509	62,428,467
Restricted	3,962,840	6,349,303	0	0	3,962,840	6,349,303
Unrestricted	3,581,184	1,641,140	(169,930)	(343,328)	3,411,254	1,297,812
Total Net Position	\$66,730,259	\$62,993,506	\$7,199,344	\$7,082,076	\$73,929,603	\$70,075,582

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

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

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

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the Park District's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows.

Net position of the Park District's governmental activities increased by \$3,736,753, (\$62,993,506 at December 31, 2015 compared to \$66,730,259 at December 31, 2016). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, increased by \$1,940,044, (at December 31, 2016, \$3,581,184 compared to \$1,641,140 at December 31, 2015). Restricted net position, those restricted mainly for capital projects, decreased by \$2,386,463, (\$3,962,840 at December 31, 2016 compare to \$6,349,303 at December 31, 2015.) The governmental activities investment in capital assets and goodwill category increased by \$4,183,172, (\$59,186,235 at December 31, 2016 compared to \$55,003,063 at December 31, 2015).

The net position of our business-type activities increased by \$117,268, (\$7,199,344 at December 31, 2016 compared to \$7,082,076 at December 31, 2015). The Park District commits the net position to finance the continuing operations of the Golf Fund.

Financial Ratios

The financial ratios following 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 ability to finance operations with cash. The stability of the *Current Ratio* and the *Liabilities to Net Position* demonstrate the Park District's ability to pay back its liabilities.

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	2015	2016
Entity Wide Summary	\$14,376,912	\$15,823,554
Governmental	14,182,620	15,365,670
Business-type	194,292	457,884
Current Ratio	2015	2016
Entity Wide Summary	1.92	2.04
Governmental	1.92	2.02
Business-type	2.25	5.52

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

Days Cash and Investment	2015	2016
Entity Wide Summary	265	232
Governmental	203	246
Business-type	62	112

Liabilities to Net Position indicates the extent of borrowing.

Liabilities to Net Position	2015	2016
Entity Wide Summary	34%	37%
Governmental	36%	39%
Business-type	11%	15%

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

Return on Assets	2015	2016
Entity Wide Summary	8%	4%
Governmental	8%	4%
Business-type	-2%	1%

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Table 2 - Change in Net Position						
	Governmental		Business-type		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program Revenues:						
Charges for Services	\$2,196,799	\$1,925,663	\$1,270,903	\$1,250,204	\$3,467,702	\$3,175,867
Operating Grants and Contributions	100,408	123,910	1,250	350	101,658	124,260
Capital Grants and Contributions	688,081	3,106,608	0	0	688,081	3,106,608
General Revenues:						
Property Tax	14,490,425	14,251,533	0	0	14,490,425	14,251,533
Grants and Entitlements, Unrestricted	1,080,734	1,190,385	0	0	1,080,734	1,190,385
Interest	57,609	20,069	1,946	278	59,555	20,347
Miscellaneous	89,524	122,392	415	1,079	89,939	123,471
Total Revenues	18,703,580	20,740,560	1,274,514	1,251,911	19,978,094	21,992,471
Program Expenses:						
Parks and Recreation	14,216,827	13,368,742	0	0	14,216,827	13,368,742
Golf	0	0	1,907,246	1,889,062	1,907,246	1,889,062
Total Expenses	14,216,827	13,368,742	1,907,246	1,889,062	16,124,073	15,257,804
Increase (Decrease) in Net Position before Transfers	4,486,753	7,371,818	(632,732)	(637,151)	3,854,021	6,734,667
Transfers	(750,000)	(500,000)	750,000	500,000	0	0
Change in Net Position	3,736,753	6,871,818	117,268	(137,151)	3,854,021	6,734,667
Net Position Beginning	62,993,506	56,121,688	7,082,076	7,219,227	70,075,582	63,340,915
Net Position Ending	\$66,730,259	\$62,993,506	\$7,199,344	\$7,082,076	\$73,929,603	\$70,075,582

Total net position for Lake Metroparks increased by \$3,854,021. The increase in governmental net position of \$3,736,753 was due to the increase in expenses and reduction of revenue from the prior year. The increase in net position in business-type activities was \$117,268. This was due to increased transfers as compared to the prior year.

General Governmental Functions by Individual Fund

The following schedules present individual governmental funds revenues and the percentage of total for the year ended December 31, 2016, as well as the expenditures and the percentage of total for the year ended December 31, 2016.

General Fund

Revenue Source	2016 Amount	Percent of Total	2015 Amount	Increase (Decrease) from 2015	Percent Increase (Decrease)
Property Taxes	\$14,427,675	76.35%	\$14,260,551	\$167,124	1.17%
Intergovernmental	2,050,584	10.85%	2,106,771	(56,187)	-2.67%
Fees and					
Admissions	1,750,245	9.26%	1,485,377	264,868	17.83%
Merchandise Sales	453,182	2.40%	435,531	17,651	4.05%
Interest	41,220	0.22%	11,183	30,037	268.60%
Fines and Forfeits	3,910	0.02%	2,575	1,335	51.84%
Contributions	100,408	0.53%	123,910	(23,502)	-18.97%
Miscellaneous	70,637	0.37%	119,897	(49,260)	-41.09%
<i>Total Revenue</i>	<i>\$18,897,861</i>	<i>100.00%</i>	<i>\$18,545,795</i>	<i>\$352,066</i>	<i>1.90%</i>

Expenditures	2016 Amount	Percent of Total	2015 Amount	Increase (Decrease) from 2015	Percent Increase (Decrease)
Parks and Recreation	\$13,631,210	80.31%	\$13,349,354	\$281,856	2.11%
Capital Outlay	92,978	0.55%	89,956	3,022	3.36%
Transfer Out	3,250,000	19.15%	3,000,000	250,000	8.33%
<i>Total Expenditures and Transfer Out</i>	<i>\$16,974,188</i>	<i>100.00%</i>	<i>\$16,439,310</i>	<i>\$534,878</i>	<i>3.25%</i>

The fund balance increased by \$1,923,673 mainly due to an increase in property tax and fees and admissions revenues. These increases in revenue were offset by the increase in transfers out and personnel expenditures most specifically the payments of final employee leave balances upon retirement.

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Drug Enforcement Fund

Revenue Source	2016 Amount	Percent of Total	2015 Amount	Increase (Decrease) from 2015	Percent Increase (Decrease)
Interest	\$44	0.44%	\$5	\$39	780.00%
Fines and Forfeits	10,006	99.56%	4,675	5,331	114.03%
<i>Total Revenue</i>	<i>\$10,050</i>	<i>100.00%</i>	<i>\$4,680</i>	<i>\$5,370</i>	<i>114.74%</i>

Expenditures	2016 Amount	Percent of Total	2015 Amount	Increase (Decrease) from 2015	Percent Increase (Decrease)
Parks and Recreation	\$3,649	100.00%	\$305	\$3,344	1096.39%
<i>Total Expenditures</i>	<i>\$3,649</i>	<i>100.00%</i>	<i>\$305</i>	<i>\$3,344</i>	<i>1096.39%</i>

The fund balance increased by \$6,401 due to increase in revenues in relation to the prior year.

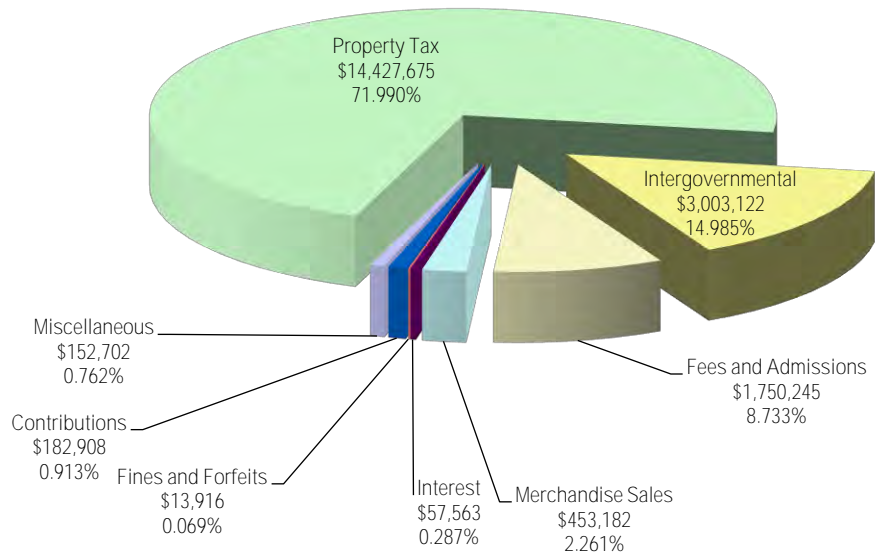
Improvement Fund

Revenue Source	2016 Amount	Percent of Total	2015 Amount	Increase (Decrease) from 2015	Percent Increase (Decrease)
Intergovernmental	\$952,538	26.22%	\$3,067,825	(\$2,115,287)	-68.95%
Interest	16,299	0.45%	8,875	7,424	83.65%
Contributions	82,500	2.27%	11,650	70,850	608.15%
Miscellaneous	82,065	2.26%	-	82,065	0.00%
Transfer in	2,500,000	68.80%	2,500,000	-	0.00%
<i>Total Revenue and Transfer In</i>	<i>\$3,633,402</i>	<i>100.00%</i>	<i>\$5,588,350</i>	<i>(\$1,954,948)</i>	<i>-34.98%</i>

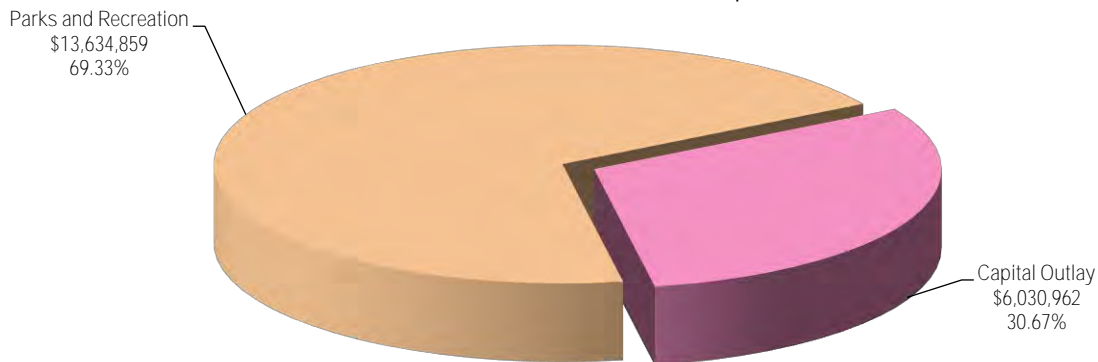
Expenditures	2016 Amount	Percent of Total	2015 Amount	Increase (Decrease) from 2015	Percent Increase (Decrease)
Capital Outlay	\$5,937,984	100.00%	\$4,844,830	\$1,093,154	22.56%
<i>Total Expenditures</i>	<i>\$5,937,984</i>	<i>100.00%</i>	<i>\$4,844,830</i>	<i>\$1,093,154</i>	<i>22.56%</i>

The fund balance decreased by \$2,304,582 due to the decrease in intergovernmental revenue. The Park District received its final grant reimbursement from a previous years grant.

2016 Governmental Funds Revenue



2016 Governmental Funds Expenditures



Proprietary Funds

The Park District's Enterprise Fund is the Golf Fund. The Park District also has an Internal Service Fund, the Hospitalization Fund. These basic financial statement are also included in this report. Because the focus on proprietary funds is a cost of service measurement or capital maintenance, we have included these funds in the table, which demonstrates return on ending assets and return on ending net position. The table is at the end of this section.

Golf fees and charges are reviewed on a yearly basis and changes are recommended to the Board of Park Commissioners for passage. During 2016, there was an increase to greens fees. Hospitalization fees are adjusted via the budget and contractual requirements and adjusted each March. Total Golf Fund charges for services increased by only 1.65 percent due to more favorable weather conditions during the summer of 2016 than in 2015.

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The Hospitalization Fund net position increased by \$196,403 in 2016. Claims increased in 2016 as compared to 2015. The Park District purchased stop-loss insurance in the amount of \$85,000 individual and no aggregate limit.

	<u>Golf</u>	<u>Hospitalization</u>
Total Assets	\$8,304,708	\$878,576
Net Position	7,199,344	774,678
Change in Net Position	117,268	196,403
Return on Ending Total Assets	1.4%	22%
Return on Ending Net Position	1.6%	25%

Capital Assets

At the end of 2016, the Park District had \$66,511,117 invested in a broad range of capital assets net of accumulated depreciation including land, buildings, vehicles, equipment, livestock, trails, bridges and parking lots. (See table below.) This amount represents a net increase (including additions and deductions) of \$4,134,050 or an increase of 6.6 percent from last year.

Capital Assets at Year-end (Net of Depreciation)						
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$36,657,499	\$35,092,188	\$2,713,556	\$2,707,181	\$39,371,055	\$37,799,369
Buildings	15,617,469	13,763,082	4,611,841	4,409,566	20,229,310	18,172,648
Furniture/Fixtures	1,344,146	1,319,398	226,786	217,588	1,570,932	1,536,986
Land Improvements	0	0	4,321,972	4,304,997	4,321,972	4,304,997
Machinery/Equipment	4,924,569	4,178,270	1,488,944	1,590,592	6,413,513	5,768,862
Livestock	33,700	24,795	0	0	33,700	24,795
Vehicles	3,326,592	3,271,490	691,169	620,641	4,017,761	3,892,131
Construction in Progress	605,579	1,735,958	0	0	605,579	1,735,958
Leasehold Improvement	2,622,591	2,598,758	0	0	2,622,591	2,598,758
Infrastructure	12,557,441	10,466,935	0	0	12,557,441	10,466,935
Accumulated Depreciation	(18,503,351)	(17,447,811)	(6,729,386)	(6,476,561)	(25,232,737)	(23,924,372)
Total	\$59,186,235	\$55,003,063	\$7,324,882	\$7,374,004	\$66,511,117	\$62,377,067

This year's major additions included the following governmental improvements: purchased land, vehicles and equipment, and improvements to existing buildings and parks. Business-type improvements included the purchase of equipment. More detailed information about the Park District's capital assets is presented in Note 6 to Basic Financial Statements.

Economic Factors

Lake Metroparks is a park district (special purpose government) operating under the authority of Chapter 1545 of the Ohio Revised Code encompassing and providing park and recreation opportunities to the citizens of Lake County. The County unemployment rate is 4.7 percent compared to 4.9 percent for the state and the national unemployment rate of 4.7 percent as of December 31, 2016, these compared to 2015 rates of 3.7 percent for the County, 4.6 percent for the state, and 5.0 percent for the national unemployment rate.

2016 Budgetary Highlights

The Executive Director proposed and the Board of Park Commissioners adopted an original budget for the year 2016. The 2016 budget called for General Fund expenditures and transfers of \$18,301,739. There were no modifications to the General Fund budget as a whole in 2016. In addition, there were no other significant budgetary variances in the 2016 for the other funds final amended budget and actual results.

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 questions about this report or need additional financial information, contact Christopher J. Brassell, CPA, Chief Financial Officer, Lake Metroparks, 11211 Spear Road, Concord Twp., Ohio 44077, phone (440) 639-7275 or e-mail cbrassell@lakemetroparks.com.

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Basic Financial Statements



Lake Metroparks
Statement of Net Position
December 31, 2016

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Assets			
Cash and Cash Equivalents	\$13,016,512	\$452,167	\$13,468,679
Taxes Receivable	14,406,173	--	14,406,173
Accounts Receivable	50,279	9,169	59,448
Interest Receivable	4,303	152	4,455
Due From Other Governments	1,572,086	--	1,572,086
Inventories at Cost	243,438	81,025	324,463
Prepaid Items	128,797	14,593	143,390
Nondepreciable Capital Assets (Note 6)	37,296,778	2,713,556	40,010,334
Depreciable Capital Assets - Net (Note 6)	21,889,457	4,611,326	26,500,783
Net Goodwill	--	44,392	44,392
Net Pension Asset	22,530	2,146	24,676
<i>Total Assets</i>	<u>88,630,353</u>	<u>7,928,526</u>	<u>96,558,879</u>
Deferred Outflows of Resources			
Pension	4,061,091	376,182	4,437,273
Liabilities			
Accounts Payable	220,405	17,770	238,175
Claims Payable	103,898	--	103,898
Due To Other Governments	134,992	3,477	138,469
Accrued Liabilities	35,087	10,659	45,746
Accrued Wages	166,357	9,258	175,615
Long-term Liabilities:			
Due Within One Year (Note 7)	613,738	35,100	648,838
Due In More Than One Year (Note 7)	715,804	56,786	772,590
Net Pension Liability (Note 4)	9,998,913	952,800	10,951,713
<i>Total Liabilities</i>	<u>11,989,194</u>	<u>1,085,850</u>	<u>13,075,044</u>
Deferred Inflows of Resources			
Property Taxes	13,767,199	--	13,767,199
Pension	204,792	19,514	224,306
<i>Total Deferred Inflows of Resources</i>	<u>13,971,991</u>	<u>19,514</u>	<u>13,991,505</u>
Net Position			
Investment in Capital Assets and Goodwill	59,186,235	7,369,274	66,555,509
Amounts Restricted for:			
Capital Projects	3,949,410	--	3,949,410
Drug Enforcement	13,430	--	13,430
Unrestricted Amounts	3,581,184	(169,930)	3,411,254
<i>Total Net Position</i>	<u>\$66,730,259</u>	<u>\$7,199,344</u>	<u>\$73,929,603</u>

The notes to the financial statements are an integral part of this statement.

Lake Metroparks
Statement of Activities
For the Year Ended December 31, 2016

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs				
Governmental Activities				
Parks and Recreation	\$14,216,827	\$2,196,799	\$100,408	\$688,081
<i>Total Governmental Activities</i>	<u>14,216,827</u>	<u>2,196,799</u>	<u>100,408</u>	<u>688,081</u>
Business-type Activities				
Golf	1,907,246	1,270,903	1,250	--
<i>Total Business-type Activities</i>	<u>1,907,246</u>	<u>1,270,903</u>	<u>1,250</u>	<u>--</u>
<i>Total Primary Government</i>	<u>\$16,124,073</u>	<u>\$3,467,702</u>	<u>\$101,658</u>	<u>\$688,081</u>

General Revenues (Expenditures)

Property Tax
Grants & Entitlements, Unrestricted
Interest
Miscellaneous

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
(\$11,231,539)	\$--	(\$11,231,539)
(11,231,539)	--	(11,231,539)
--	(635,093)	(635,093)
--	(635,093)	(635,093)
(11,231,539)	(635,093)	(11,866,632)
14,490,425	--	14,490,425
1,080,734	--	1,080,734
57,609	1,946	59,555
89,524	415	89,939
15,718,292	2,361	15,720,653
(750,000)	750,000	--
14,968,292	752,361	15,720,653
3,736,753	117,268	3,854,021
62,993,506	7,082,076	70,075,582
<u>\$66,730,259</u>	<u>\$7,199,344</u>	<u>\$73,929,603</u>

Lake Metroparks
Balance Sheet
Governmental Funds
December 31, 2016

	General Fund	Improvement Fund
Assets		
Cash and Cash Equivalents	\$8,497,506	\$3,627,056
Receivables:		
Taxes	14,406,173	--
Accounts	50,279	--
Interest	2,942	1,253
Due From Other Governments	942,056	630,030
Inventories at Cost	243,438	--
Prepaid Items	128,797	--
<i>Total Assets</i>	<u>\$24,271,191</u>	<u>\$4,258,339</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities:		
Accounts Payable	\$48,481	\$171,872
Due To Other Governments	60,204	74,788
Accrued Liabilities	35,087	--
Accrued Wages	166,357	--
<i>Total Liabilities</i>	<u>310,129</u>	<u>246,660</u>
Deferred Inflows of Resources:		
Property Taxes	13,767,199	--
Unavailable Revenues:		
Intergovernmental	942,056	--
Delinquent Property Taxes	638,974	--
<i>Total Deferred Inflows of Resources</i>	<u>15,348,229</u>	<u>--</u>
Fund Balances:		
Nonspendable	372,235	--
Restricted for Drug Enforcement	--	--
Committed to Contract Services	--	2,540,712
Assigned	216,308	1,470,967
Unassigned	8,024,290	--
<i>Total Fund Balances</i>	<u>8,612,833</u>	<u>4,011,679</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$24,271,191</u>	<u>\$4,258,339</u>

The notes to the financial statements are an integral part of this statement.

Lake Metroparks
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2016

Non-Major Governmental/ Drug Enforcement Fund	Total Governmental Funds		
		Total Governmental Funds Balances	\$12,637,942
\$13,477	\$12,138,039	<i>Amounts reported for governmental activities in the Statement of Net Position are different because:</i>	
--	14,406,173	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	59,186,235
--	50,279		
5	4,200		
--	1,572,086		
--	243,438	Other long-term assets that are not available to pay current period expenditures and therefore are unavailable revenues in the fund.	
--	128,797		
<u>\$13,482</u>	<u>\$28,543,012</u>		
		Delinquent Property Taxes	638,974
		Intergovernmental	942,056
		The net pension asset/liability is not expected to be received, due, receivable and payable in the current period; therefore, the asset/liability and related deferred inflows/outflows are not reported in governmental funds:	
\$52	\$220,405	Deferred Outflows - Pension	4,061,091
--	134,992	Deferred Inflows - Pension	(204,792)
--	35,087	Net Pension Asset	22,530
--	166,357	Net Pension Liability	(9,998,913)
<u>52</u>	<u>556,841</u>		
--	13,767,199	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(1,329,542)
--	942,056		
--	638,974		
<u>--</u>	<u>15,348,229</u>		
		Internal service funds are not reported in the funds statement but are governmental activities in the Statement of Net Position.	<u>774,678</u>
--	372,235		
13,430	13,430	Net Position of Governmental Activities	<u>\$66,730,259</u>
--	2,540,712		
--	1,687,275		
--	8,024,290		
<u>13,430</u>	<u>12,637,942</u>		
<u>\$13,482</u>	<u>\$28,543,012</u>		

Lake Metroparks
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2016

	General Fund	Improvement Fund
Revenues		
Property Tax	\$14,427,675	\$--
Intergovernmental	2,050,584	952,538
Fees and Admissions	1,750,245	--
Merchandise Sales	453,182	--
Interest	41,220	16,299
Fines and Forfeitures	3,910	--
Contributions	100,408	82,500
Miscellaneous	70,637	82,065
<i>Total Revenues</i>	<u>18,897,861</u>	<u>1,133,402</u>
Expenditures		
Parks and Recreation	13,631,210	--
Capital Outlay	92,978	5,937,984
<i>Total Expenditures</i>	<u>13,724,188</u>	<u>5,937,984</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>5,173,673</u>	<u>(4,804,582)</u>
Other Financing Sources (Uses)		
Transfers In	--	2,500,000
Transfers Out	(3,250,000)	--
<i>Total Other Financing Sources (Uses)</i>	<u>(3,250,000)</u>	<u>2,500,000</u>
<i>Net Change in Fund Balances</i>	1,923,673	(2,304,582)
<i>Fund Balances - Beginning of the Year</i>	6,665,998	6,316,261
<i>Increase (Decrease) in Reserve for Inventories</i>	<u>23,162</u>	<u>--</u>
<i>Fund Balances - End of the Year</i>	<u>\$8,612,833</u>	<u>\$4,011,679</u>

The notes to the financial statements are an integral part of this statement.

Lake Metroparks
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended December 31, 2016

Non-Major Governmental/ Drug Enforcement Fund	Total Governmental Funds		
		Net Changes in Fund Balances - Total Governmental Funds	(\$374,508)
		<i>Amounts reported for Governmental Activities in the Statement of Activities are different because:</i>	
\$--	\$14,427,675	Governmental funds report capital outlays as expenditures. However, in the	
--	3,003,122	Statement of Activities the cost of those assets is allocated over their useful	
--	1,750,245	lives as depreciation expense. This is the amount by which capital outlays	
--	453,182	exceeded depreciation in the current period.	
44	57,563	Note: Capital Outlays \$7,551,363 Depreciation (\$1,605,404).	5,945,959
10,006	13,916		
--	182,908	In the Statement of Activities, only the loss on the disposal of capital assets	
--	152,702	is reported, whereas, in the Governmental Funds, the proceeds from the	
<u>10,050</u>	<u>20,041,313</u>	disposals increase financial resources. Thus the change in net position differs	
		from the change in fund balance by the net book value of the capital assets.	
		Note: Capital Asset Deletions \$2,312,651 Depreciation (\$549,864).	(1,762,787)
3,649	13,634,859		
--	6,030,962	Contractually required contributions are reported as expenditures in	
<u>3,649</u>	<u>19,665,821</u>	governmental funds; however, the statement of net position reports	
		these amounts as deferred outflows.	2,785,802
<u>6,401</u>	<u>375,492</u>		
		Except for amounts reported as deferred inflows/outflows, changes	
--	2,500,000	in the net pension liability are reported as pension expense in the	
--	(3,250,000)	statement of activities.	(3,427,201)
--	<u>(750,000)</u>		
		Some expenses reported in the Statement of Activities do not require the	
6,401	(374,508)	use of current financial resources and therefore are not reported as expenditures	
		in governmental funds.	
		Compensated Absences	314,967
7,029	12,989,288	Change in Inventory	23,162
--	23,162		
<u>\$13,430</u>	<u>\$12,637,942</u>	Internal service activity is not reported in governmental funds but is reported	
		as governmental activities in the Statement of Activities.	196,403
		Revenues in the Statement of Activities that do not provide current	
		financial resources are not reported as revenues in the funds.	
		Delinquent Property Taxes	62,750
		Intergovernmental	<u>(27,794)</u>
		Change in Net Position of Governmental Activities	<u>\$3,736,753</u>

Lake Metroparks
Statement of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non-GAAP) Budgetary Basis
General Fund
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Property Tax	\$13,499,837	\$13,760,815	\$14,427,675	\$666,860
Intergovernmental	2,083,842	2,036,978	2,050,584	13,606
Fees and Admissions	1,396,200	1,396,200	1,741,812	345,612
Merchandise Sales	393,550	393,550	454,182	60,632
Interest	8,000	8,000	35,330	27,330
Fines and Forfeitures	2,000	2,000	3,910	1,910
Contribution	84,400	84,400	88,297	3,897
Miscellaneous	75,400	51,392	78,559	27,167
<i>Total Revenues</i>	<u>17,543,229</u>	<u>17,733,335</u>	<u>18,880,349</u>	<u>1,147,014</u>
Expenditures				
Salaries	8,138,301	8,115,409	7,930,139	185,270
OPERS	1,145,202	1,148,822	1,096,285	52,537
Medicare	115,679	116,839	111,341	5,498
Workers' Compensation	239,240	214,168	111,667	102,501
Unemployment Compensation	--	1,352	1,348	4
Medical Insurance	1,607,122	1,578,427	1,307,863	270,564
Professional Memberships	21,990	24,020	19,979	4,041
Training and Education	27,879	27,916	7,447	20,469
Travel	45,309	45,949	25,178	20,771
Mileage	7,300	7,699	5,928	1,771
Supplies	1,188,162	1,180,207	1,012,475	167,732
Contract Services	1,283,951	1,323,481	1,215,469	108,012
Electric	216,400	224,690	217,377	7,313
Heat (Oil/Gas)	79,900	65,500	30,599	34,901
Water/Sewer	45,530	51,331	43,399	7,932
Telephone	153,415	153,415	147,948	5,467
Contract Repairs	134,330	129,130	96,087	33,043
Advertising	78,740	77,940	65,864	12,076
Rentals	70,276	70,606	47,743	22,863
Insurance	174,200	186,000	185,938	62
Materials	99,800	95,900	72,872	23,028
Capital Equipment	124,013	157,938	138,630	19,308
Land Acquisition	55,000	55,000	19,706	35,294
<i>Total Expenditures</i>	<u>15,051,739</u>	<u>15,051,739</u>	<u>13,911,282</u>	<u>1,140,457</u>

(Continued)

The notes to the financial statements are an integral part of this statement.

Lake Metroparks
Statement of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non-GAAP) Budgetary Basis
General Fund
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	2,491,490	2,681,596	4,969,067	2,287,471
Other Financing Sources (Uses)				
Transfers Out	(3,250,000)	(3,250,000)	(3,250,000)	--
<i>Total Other Financing Sources (Uses)</i>	(3,250,000)	(3,250,000)	(3,250,000)	--
<i>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other (Uses)</i>	(758,510)	(568,404)	1,719,067	2,287,471
<i>Fund Balance Budget Basis - Beginning of the Year</i>	6,481,372	6,481,372	6,481,372	--
Recovery of Prior Year Encumbrances	42,085	42,085	42,085	--
<i>Fund Balance Budget Basis - End of the Year</i>	<u>\$5,764,947</u>	<u>\$5,955,053</u>	<u>\$8,242,524</u>	<u>\$2,287,471</u>

Lake Metroparks
Statement of Net Position - Proprietary Funds
December 31, 2016

	Business-type Activities	Governmental Activities
	Golf	Hospitalization - Internal Service
Assets		
Current Assets		
Cash and Cash Equivalents	\$452,167	\$878,473
Interest Receivable	152	103
Accounts Receivable	9,169	--
Inventories at Cost	81,025	--
Prepaid Items	14,593	--
Total Current Assets	<u>557,106</u>	<u>878,576</u>
Noncurrent Assets		
Net Capital Assets	7,324,882	--
Net Goodwill	44,392	--
Net Pension Asset	2,146	--
Total Noncurrent Assets	<u>7,371,420</u>	<u>--</u>
<i>Total Assets</i>	<u>7,928,526</u>	<u>878,576</u>
Deferred Outflows of Resources		
Pension	<u>376,182</u>	<u>--</u>
<i>Total Assets and Deferred outflows of Resources</i>	<u>\$ 8,304,708</u>	<u>\$ 878,576</u>
Liabilities		
Current Liabilities		
Accounts Payable	\$17,770	\$--
Claims Payable	--	103,898
Due To Other Governments	3,477	--
Accrued Liabilities	10,659	--
Accrued Wages	9,258	--
Compensated Absences Payable	35,100	--
Total Current Liabilities	<u>76,264</u>	<u>103,898</u>
Long Term Liabilities		
Long Term Compensated Absences	56,786	--
Net Pension Liability	952,800	--
<i>Total Liabilities</i>	<u>1,085,850</u>	<u>103,898</u>
Deferred Inflows of Resources		
Pension	<u>19,514</u>	<u>--</u>
Net Position		
Investment in Capital Assets and Goodwill	7,369,274	--
Unrestricted	(169,930)	774,678
<i>Total Net Position</i>	<u>7,199,344</u>	<u>774,678</u>
<i>Total Liabilities, Deferred Inflows of Resources and Net Position</i>	<u>\$8,304,708</u>	<u>\$878,576</u>

The notes to the financial statements are an integral part of this statement.

Lake Metroparks
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2016

	Business-type Activities	Governmental Activities
	Golf	Hospitalization - Internal Service
Operating Revenues		
Billings to Departments	\$--	\$1,391,657
Charges for Services	1,270,903	84,019
Contributions	1,250	--
Miscellaneous	415	--
<i>Total Operating Revenues</i>	<u>1,272,568</u>	<u>1,475,676</u>
Operating Expenses		
Salaries	655,404	--
Fringes	214,685	--
Commodities	260,613	--
Contractual Services	326,029	--
Claims	--	937,453
Premiums	--	343,018
Depreciation	443,507	--
Amortization	7,008	--
<i>Total Operating Expenses</i>	<u>1,907,246</u>	<u>1,280,471</u>
<i>Operating (Loss)</i>	<u>(634,678)</u>	<u>195,205</u>
Non-Operating Revenues		
Interest	1,946	1,198
<i>Total Non-Operating Revenues</i>	<u>1,946</u>	<u>1,198</u>
Income (Loss) before Transfers	(632,732)	196,403
Transfers In	<u>750,000</u>	<u>--</u>
<i>Change in Net Position</i>	117,268	196,403
<i>Total Net Position - Beginning of the Year</i>	<u>7,082,076</u>	<u>578,275</u>
<i>Total Net Position - End of the Year</i>	<u><u>\$7,199,344</u></u>	<u><u>\$774,678</u></u>

The notes to the financial statements are an integral part of this statement.

Lake Metroparks
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2016

	Business-type Activity	Governmental Activity
	Golf	Hospitalization - Internal Service
Cash Flows from Operating Activities		
Cash Received for Premiums within the Park District	\$--	\$1,391,657
Cash Received from Charges for Services	1,272,752	84,019
Cash Paid to Employees for Services	(844,898)	--
Cash Paid for Operating Contracts and Supplies	(583,589)	--
Cash Paid for Claims and Premiums	--	(1,275,558)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(155,735)</u>	<u>200,118</u>
Cash Flows from Capital and Related Financing Activities		
Payment for Capital Acquisitions	(394,385)	--
Transfers In	750,000	--
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>355,615</u>	<u>--</u>
Cash Flows from Investing Activities		
Interest Received	1,830	1,152
<i>Net Cash Provided by Investing Activities</i>	<u>1,830</u>	<u>1,152</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	201,710	201,270
<i>Cash and Cash Equivalents at the Beginning of the Year</i>	250,457	677,203
<i>Cash and Cash Equivalents at the End of the Year</i>	<u>\$452,167</u>	<u>\$878,473</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities		
Operating Income (Loss)	(\$634,678)	\$195,205
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation	443,507	--
Amortization	7,008	--
Current Assets (Increase) Decrease:		
Accounts Receivable	(779)	--
Inventories	(4,242)	--
Prepaid Items	(2,374)	--
Net Pension	(633)	--
Deferred Outflows	(264,827)	--
Decrease (Increase) in Current Assets	<u>(272,855)</u>	<u>--</u>
Current Liabilities Increase (Decrease):		
Accounts Payable	10,167	--
Due To Other Governments	(7,122)	--
Accrued Liabilities	1,446	--
Accrued Wages	3,331	--
Compensated Absences Payable	(57,464)	--
Net Pension Liability	318,667	--
Increase in Current Liabilities	<u>269,025</u>	<u>--</u>
Long-term Compensated Absences Payable	24,346	--
Deferred Inflows Pension	7,912	--
Increase (Decrease) in Claims Payables	<u>--</u>	<u>4,913</u>
Total Adjustments	<u>478,943</u>	<u>4,913</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(\$155,735)</u>	<u>\$200,118</u>

The notes to the financial statements are an integral part of this statement.

Lake Metroparks
Statement of Fiduciary Net Position
Agency Funds
December 31, 2016

Assets

Restricted Cash and Cash Equivalents	\$48,594
<i>Total Assets</i>	<u>\$48,594</u>

Liabilities

Payable From Restricted Assets	\$33,540
Retainage Due Contractors	15,054
<i>Total Liabilities</i>	<u>\$48,594</u>

The notes to the financial statements are an integral part of this statement.

Notes to Basic Financial Statements for the Year Ended December 31, 2016 Lake Metroparks, Ohio

Note 1. Summary of Significant Accounting Policies

A. Description of Lake Metroparks. Lake Metroparks was created December 30, 1958 under the authority of Chapter 1545 of the Ohio Revised Code. The Ohio Revised Code indicates the Park District was created for the purpose of conserving the natural resources of the State. The Ohio Revised Code also provides for a Board of Park Commissioners, which has the authority to develop the Park District lands in a manner conducive to the general welfare of the community. The legislative power of the Park District is vested in the Board of Park Commissioners. The Board of Park Commissioners consists of three members who are appointed by the Judge of the Lake County Probate Court and serve without pay for three-year alternating terms. Appointments or reappointments are made each year. The first Board of Park Commissioners took office on May 11, 1959. During the first session each year, the Board of Park Commissioners elects one of the three members as president and the other two as vice presidents. The Board of Park Commissioners have passed the following Park District's mission statement: "The mission of Lake Metroparks is to conserve and preserve the natural resources of Lake County while providing a variety of safe, affordable and enjoyable educational and recreational programs and activities that enhance the quality of life in Lake County now and for the generations to follow". The Board of Park Commissioners appoints an Executive Director who is the chief executive officer of the Park District. The Executive Director is responsible for executing the policy of the Board of Park Commissioners and is authorized to establish administrative procedures as he/she deems necessary. The Park District consists of just over 9,069 acres; 7,721 owned acres and 789 leased acres of park land and holds 551 acres of conservation easements with 37 parks and 8 natural preserves ranging in size from approximately one acre to 942 acres. Listed below are the names and locations of the parks.

Arcola Creek Park -- Lake Road, Madison Twp.

Baker Road Park -- Baker Road, Leroy Twp.

Beaty Landing -- Walnut Street, Painesville

Big Creek at Liberty Hollow -- Fay Road, Concord Twp.

Blair Road Park -- Blair Road, Perry Twp.

Chagrin River Park -- Reeves Road, Willoughby/Eastlake

Chapin Forest Reservation -- Hobart Road & Rt. 306, Kirtland

Children's Schoolhouse Nature Park -- Baldwin Road, Kirtland Hills

Concord Woods Nature Park -- Spear Road, Concord Twp.

Environmental Learning Center -- Alexander Road, Concord

Erie Shores Golf Course -- Lake Road East, Madison

Fairport Harbor Lakefront Park -- Huntington Beach Drive, Fairport Harbor

Farmpark -- Rt. 6, Kirtland

Girdled Road Reservation -- Radcliffe Road, Concord Twp.

Grand River Landing -- N. St. Clair Street, Fairport Harbor

Greenway Corridor -- B&O Rail Corridor

Gully Brook -- River Road, Willoughby

Helen Hazen Wyman Park -- Rt. 86, Painesville

Hell Hollow Wilderness Area -- Leroy Center Road, Leroy Twp.
Hidden Lake -- Kniffen Road, Leroy Twp.
Hidden Valley Park -- Klasen Road, Madison
Hogback Ridge Park -- Emerson Road, Madison
Indian Point Park -- Seeley Road, Leroy Twp.
Lake Erie Bluffs -- Clark Road, Perry Twp.
Lakefront Lodge -- Lakeshore Blvd., Willowick
Lakeshore Reservation -- Lockwood Road, North Perry
Mason's Landing Park -- Vrooman Road, Perry
Paine Falls Park -- Paine Road, Leroy Twp.
Painesville Township Park -- Hardy Road, Painesville Twp.
Parsons Gardens -- Erie Road, Willoughby
Penitentiary Glen Reservation -- Kirtland-Chardon Road, Kirtland
Pete's Pond Preserve -- Rockefeller Road, Wickliffe
Pine Ridge Country Club -- Ridge Road, Wickliffe
Pleasant Valley Park -- Pleasant Valley Road, Willoughby Hills
River Road Park -- River Road, Madison Twp.
Riverview Park -- Bailey Road, Madison
Veterans Park -- Hopkins Road, Mentor

- B. Reporting Entity** - In evaluating how to define the governmental entity, the Park District has considered all potential component units. The decision to include or exclude a potential unit was made by applying the criteria defined by Governmental Accounting Standards Board (GASB) Statement No. 14 and Governmental Accounting Standard Board (GASB) Statement No. 61, "The Financial Reporting Entity: Omnibus". Component units are legally separate organizations for which the Park District is financially accountable. The Park District is financially accountable for an organization if the Park District appoints a voting majority of the organization's governing board and (1) the Park District is able to significantly influence the programs or services performed or provided by the organization; or (2) the Park District is legally entitled to or can otherwise access the organization's resources; the Park District is legally obligated or has otherwise assumed the responsibility to finance deficits of or provide financial support to the organization or the Park District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Park District in that the Park District approves the budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burden on, the Park District. Based on this criterion, there are no component units.

Related Organizations

Lake County - The Park District is considered a related organization to Lake County. This decision was based on the fact the Board of Park Commissioners are appointed by the Probate Judge of Lake County, but Lake 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 Lake County.

Lake Parks Foundation – The Lake Parks Foundation is a private, not-for-profit foundation to promote the development of parks, recreation, and leisure services in Lake County. The Park District does not appoint the Lake Parks Foundation Board and cannot impose its will on Lake Parks Foundation nor is there a financial benefit received by, or burden placed on, the Park District with respect to the Lake Parks Foundation.

C. Basis of Presentation – Fund Accounting. The Park District’s basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, fund financial statements, statement of net position – proprietary funds, statement of revenues, expenses and changes in net position – proprietary funds, statement of cash flows and statement of fiduciary net position which provide a more detailed level of financial information. The financial statements of the Park District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Park District’s accounting policies are described below.

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

General Fund - The 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.

Improvement Fund - The Improvement Fund is used to finance permanent Park District improvements such as rolling stock and construction. It is funded mainly by intergovernmental revenues, contributions and transfers from the General Fund.

Non-Major Governmental/Drug Enforcement Fund - The Drug Enforcement Fund is used to account for the proceeds of a specific revenue source (other than major capital projects) that are legally restricted as to expenditures for specified purposes.

E. Proprietary Funds.

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 two golf facilities within this fund.

Internal Service Fund - The Internal Service Fund is established to account for the provision of goods and services by one department of the government to other departments within the government on generally a not-for-profit (cost-reimbursement) basis. In 1990, the Park District established a self-insured hospitalization program. The Internal Service Fund is financed through the budgets of the user departments and employees.

F. Fiduciary Fund.

Agency Fund - The Agency Fund is used to account for assets held by the Park District in an agency capacity. Included in Agency Fund activities are contractor bond and escrow accounts, patron deposits for various park facilities and programs, stale park checks awaiting the statutory time to be redeposited into the proper fund, and payroll withholding to other government agencies. The Agency Fund is custodial in nature and does not involve measurement of results of operations. The Agency Fund is not reported in the government-wide financial statements.

G. Presentation of Financial Statements.

Government-wide Financial Statements - The *Statement of Net Position* and the *Statement of Activities* display information about the Park District as a whole. These statements distinguish between activities that are governmental and those that are considered business-type activities. Internal Service Fund results are eliminated to avoid “doubling up” revenues and expenses; however, interfund services provided and used are not eliminated in the process of consolidation.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds. The government-wide *Statement of Activities* presents a comparison between expenses and program revenues for the programs of the governmental and business type activities. Program revenues include charges paid by the recipients of the goods or services such as children’s camps, Farmpark admission, senior trips, special populations, softball programs, dance programs, cross-country skiing, sales of snacks and gift shop items, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Business type activity charges paid by recipients are for golf fees. Revenues which are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the Park District.

Net position should be reported as restricted when constraints placed on net position use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The Park District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. The Agency Fund is not reported in the government-wide financial statements.

Fund Financial Statements - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources with current liabilities and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in fund balance.

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

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted - Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Enabling legislation authorizes the Park District to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Park District can be compelled by an external party-such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Board of Park Commissioners. Those committed amounts cannot be used for any other purpose unless the Park District removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board of Park Commissioners, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the Park District for specific purposes but do not meet the criteria to be classified as restricted or committed. In all governmental funds, assigned amounts represent encumbrances that were approved by the Chief Financial Officer as provided in the Park District's purchasing manual as passed by the Board. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted, committed, or encumbered as above.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

Proprietary Funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the *Statement of Net Position*. Fund Equity (i.e. net position) is segregated into investment in capital assets and goodwill and unrestricted. Proprietary fund type operating statements present increases (i.e. revenues) and decreases (i.e. expenses) in net position. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made. 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 fund's principal ongoing operations.

The principal revenue of the Golf Fund is charges to customers for use of the golf course and rental fees. Operating expenses for the Golf Fund include the cost of sales and services, administrative expenses and depreciation on capital assets. The Hospitalization Fund revenues include charges to departments and charges for COBRA. Expenses include claims, stop-loss premiums, and administrative cost.

The modified accrual basis of accounting is followed for the governmental funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current year or soon enough thereafter to be used to pay liabilities of the current year. The available period for the Park District is sixty days after year-end.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: earnings on investments, state and local government funds, fees and admissions, and fines and forfeitures. The major revenue source not susceptible to accrual is donations, which is not considered measurable until received.

Revenues – Exchange and Non-exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Park District, available means expected to be received within sixty days of year-end. Non-exchange transactions, in which the Park District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. Revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Park District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Park District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. On the Government-Wide Statement of Net Position and Governmental Funds Balance Sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the Governmental Funds Balance Sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, unavailable amounts, is reported only in the governmental funds balance sheet.

The governmental funds report unavailable amounts for property taxes and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Expenses and Expenditures - The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are recorded in the account period in which the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund for payments to be made early in the following year. The costs of accumulated vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated

with available financial resources rather than in the period earned by employees. Compensatory time is recorded in the period earned. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the Internal Service Fund (Hospitalization) and the Enterprise Fund (Golf). Revenues are recognized when they are earned and become measurable, and expenses are recognized when they are incurred, if measurable. The Agency Fund uses the accrual basis of accounting to recognize receivables and payables.

Deferred Outflows/Inflows of Resources - In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Park District, deferred outflows of resources are reported on the government-wide statement of net position for pension. The deferred outflows of resources related to pension are explained in Note 4.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Park District, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance fiscal year 2017 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the Park District, unavailable revenue includes delinquent property taxes and intergovernmental revenue. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 4)

H. Pooled Cash and Cash Equivalents. Cash balances of certain Park District funds are pooled and invested. Each fund's interest in the pool is presented as "Cash and Cash Equivalents" on the balance sheet. During 2016, investments were limited to STAR Ohio, STAR Plus and certificates of deposit. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the state to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but has adopted Governmental Accounting Standards Board (GASB), Statement No.79 "Certain External Investment Pool Participants". The Park District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. For 2016, there were no limitation or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes. STAR Plus is a bank deposit program endorsed by the Ohio Treasurer's office that offers full FDIC insurance on local government deposits from \$500,000 to \$15 million and provides weekly liquidity. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. The Park District had no investments as of December 31, 2016 recorded at amortized cost. Interest earned from investments purchased with pooled cash is allocated to pooled funds as prescribed by Ohio law and Board policy. For the Internal Service Fund (Hospitalization) and Enterprise Fund (Golf), as noted on the *Statement of Cash Flows*, all restricted cash and cash equivalents with an original

maturity date within three months are readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

- I. Inventory.** The expense method (i.e., purchase method) of inventory is used for all governmental fund types, and the consumption method is used for the Enterprise Fund. Inventory is valued at cost, which approximates market, using the first-in, first-out (FIFO) method. The costs of inventory items are recognized as expenditures in the General Fund when purchased or as expenses in the Enterprise Fund when consumed. Recorded inventories in the General Fund are equally offset in a nonspendable fund balance which indicates that they do not constitute available spendable resources even though they are a component of current assets.

- J. Prepaid Items.** Prepaid items represent payments made by the Park District for maintenance agreements and insurance that will benefit periods beyond December 31, 2016. Payments made to vendors for services that will benefit periods beyond the current year, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which the services are consumed. Recorded prepaids in governmental fund types are equally offset in a nonspendable fund balance which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

- K. Capital Assets.** Governmental-type capital assets include land, buildings, furniture and fixtures, livestock, machinery and equipment, vehicles, construction in progress, leasehold improvements and infrastructure owned by the Park District and are stated at historical or estimated historical cost. Donated capital assets are stated at estimated market value at the time of donation. The Park District's threshold for capitalization of assets is \$500 and a lifetime of at least two years.

Depreciation for governmental-type capital assets is provided using the straight-line method over the estimated life of the asset. See Note 6B for accumulated depreciation by asset class. Depreciation lives used for property items within each property classification are as follows:

Buildings	15-50 years	Fencing	10-15 years
Machinery/Equipment	2-20 years	Land Improvements	5-10 years
Vehicles	10-15 years	Trails	15-20 years
Furniture/Fixtures	5-20 years	Earthwork/Wetlands	20-50 years
Boardwalks/Bridges	15-20 years	Utility Lines	15-20 years

Capital assets for the business-type activities (Enterprise Fund) 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 Position*. See Note 6B for accumulated depreciation by asset class.

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

Buildings	15-50 years
Machinery/Equipment	2-20 years
Vehicles	10-15 years
Furniture/Fixtures	5-20 years
Land Improvement	7-40 years

L. Compensated Absences.

Compensated absences are reported in governmental funds only if they have matured. See below for further details.

Vacation - Accumulated unpaid vacation pay is accrued when earned and is normally paid in the subsequent calendar year. However, unused vacation can be carried over and accrued up to a maximum of 240 hours. The Park District accrues up to the maximum of vacation hours as long-term for each employee in the Long-term Liabilities in the *Statement of Net Position*. A liability of \$319,867 and \$34,628 in the governmental and business type activities respectively, are included.

Sick Leave - Sick leave accumulates at the rate of .0577 for each hour worked. There is no maximum accumulation; it is to be used as needed. Effective May 15, 2013, the Board of Park Commissioners amended the sick leave policy as follows. For employees with 15 or more years of service prior to June 1, 2013:

YEARS OF LAKE METROPARKS EMPLOYMENT	PERCENTAGE OF ACCRUED UNUSED DAYS
1 year	5% or not to exceed 50 hours
2 years	10% or not to exceed 80 hours
3 years	15% or not to exceed 100 hours
4 years	20% or not to exceed 120 hours
5 years through 9 years	25% or not to exceed 240 hours
10 years through 14 years	50% or not to exceed 480 hours
15 years through 19 years	60% or not to exceed 576 hours
20 years through 24 years	70% or not to exceed 672 hours
25 years through 29 years	80% or not to exceed 768 hours
30 years through 34 years	90% or not to exceed 864 hours
35 years or more	100% or not to exceed 960 hours

For employees with less than 15 years of service as of June 1, 2013:

YEARS OF LAKE METROPARKS EMPLOYMENT	PERCENTAGE OF ACCRUED UNUSED DAYS
1 year	5% or not to exceed 50 hours
2 years	10% or not to exceed 80 hours
3 years	15% or not to exceed 100 hours
4 years	20% or not to exceed 120 hours
5 years through 9 years	25% or not to exceed 240 hours
10 years through 14 years	50% or not to exceed 480 hours
15 years through 19 years	60% or not to exceed 480 hours
20 years through 24 years	70% or not to exceed 480 hours
25 years through 29 years	80% or not to exceed 480 hours
30 years through 34 years	90% or not to exceed 480 hours

For employees who join the Park District after June 1, 2013:

YEARS OF LAKE METROPARKS EMPLOYMENT	PERCENTAGE OF ACCRUED UNUSED DAYS
Less than 10 years	No compensation
10 years or more	50% or not to exceed 480 hours

At December 31, 2016, the Park District recorded a liability for sick leave totaling \$928,393 and \$51,493 in the governmental and business type activities respectively, are included in accordance with GASB Statement No. 16.

Compensatory Time - All non-exempt employees may be granted compensatory time which is earned at a rate of one and one-half times the hours worked over 40 in a work week. Seasonal positions may be allowed to accumulate compensatory time for a given period of time, not to exceed 160 hours. Shown in Long-term Debt Obligation as part of Compensated Absences is \$37,035 and \$1,164 in the governmental and business type activities respectively, are included for employee accrued compensatory time as of December 31, 2016.

Personal Time - All part-time employees earn personal time at an accrual rate of .0192 per regular hour worked. The maximum accrual per calendar year would be 40 hours. Said personal time accrued by the Park District in the amounts of \$44,247 and \$4,601 in the governmental and business type activities respectively, are included.

Post Employment Healthcare Benefits - The Park District does not provide post employment healthcare benefits except those mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the Park District.

M. Accrued Liabilities and Long-Term Obligations

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

N. Encumbrances. Encumbrances represent purchase commitments for goods or services that have not been received or provided. Encumbrance accounting is a form of budgetary control to ensure that appropriations are not exceeded. Encumbrances outstanding at year-end are reported as a restricted, committed or assigned amount of fund balance in the governmental fund types.

O. Budgetary Process. The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Tax Budget, the Certificate of Estimated Resources, and the Appropriation Resolution, all of which are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriation Resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources as certified. All funds, other than agency funds, are legally required to be estimated and appropriated. The legal level of budgetary control is at the object level within each division of the General Fund and by object level for all other funds. A division is defined as an operating group of departments under the direction of an assistant director or a division head. Any budgetary increase or decrease at this level may only be made by resolution of the Board of Park Commissioners.

Tax Budget - A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period 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 fund balances from the preceding year. The Park District must then revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount stated in the amended Certificate of Estimated Resources. The revised budget then serves as the basis for the annual appropriation measure.

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 March 31 of each year for the period January 1 to December 31.

The appropriation measure may be amended during the year as new information becomes available provided that total appropriations do not exceed estimated resources as certified. Any increase in the total appropriation for a division must be approved by the Board of Park Commissioners. In accordance with Ohio law total expenditures from a fund cannot exceed the total appropriation for that fund.

The Board of Park Commissioners made various intradivision transfers which resulted in no change in the final appropriations of the Park District's funds. The Board of Park Commissioners' adjustments were made throughout 2016 and are reflected in the budgetary schedules contained in the required supplementary information. Other budgetary schedules are in supplementary information.

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 year and need not be reappropriated.

- P. Leasehold Improvements.** In 1974, the Park District signed a 99-year lease agreement with the Ohio Department of Natural Resources to operate Chapin Forest. In 1991, the Park District signed a 25-year lease management agreement with Painesville Township Board of Park Commissioners to operate Painesville Township Park. This lease was renewed in 2015 for an additional 25 years. In 1993, the Park District signed a joint-lease agreement with the City of Willowick for the Lakefront Lodge for 20 years, which was renewed in 2013 for a period of 1 year and renewed in 2014 for 10 additional years.

Also in 1993, the Park District signed a 99-year lease agreement with the City of Willoughby to operate land at Chagrin River Park. In 1997, the Park District signed a lease agreement with the Lake County Soil and Water Conservation to manage Mill Creek Corridor, land that was formally part of Camp Stigwandish. In 2000, the Park District signed a 20-year lease management agreement with the City of Eastlake for additional land at Chagrin River Park. In 2001, a lease of 40.3 acres (Gully Brook) for a period of 20 years was agreed to with the Willoughby/Eastlake Board of Education. In 2014, the Park District renewed a joint-lease agreement with the Lake County Commissioners for the Arcola Creek Estuary for an additional 10 years. The original 10-year agreement was signed in 1993. Also in 2004, the lease agreement with the Mentor Exempted School District for lands adjacent to the Veterans Park facility, originally entered into in 1994, was renewed for 10 years. In 2008, the Park District entered into a memorandum of understanding agreement with Concord Township for the use of property adjacent to the Greenway Corridor for 5 years, which was renewed in 2013 for a period of 5 years. In 2010, the Park District signed a 20-year lease agreement with the Port Authority of Eastlake, Ohio for the Chagrin Islands property. In 2010, lease management agreements originally signed in 1990 for 20 years with the City of Mentor and the Village of Fairport Harbor to operate, respectively, Veterans Park in Mentor and Fairport Harbor Lakefront Park were renewed for an additional 20 years. In 2011, a leasehold agreement originally signed in 2000 for 11 years with the

City of Mentor-on-the-Lake comprising 7.8 acres adjacent to Veterans Park was renewed for an additional 11 years. In 2012, the Park District signed a lease agreement with the Wickliffe Board of Education to operate the Pete’s Pond Preserve for 10 years. The leasehold improvements recorded as capital assets in Note 6 represent capital assets purchased by the Park District to improve the facilities.

Q. Interfund Transfers

Transfers Out:	
General Fund	<u>\$3,250,000</u>
Transfers In:	
Improvement Fund	\$2,500,000
Golf Fund (Business-type Activity)	<u>750,000</u>
Total	<u>\$3,250,000</u>

Transfers from the General Fund to the Improvement Fund were for the purchase of rolling stock, land, and equipment. Transfers from the General Fund to the Golf Fund were for operations and capital improvements in the Golf Fund.

R. Pensions

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

Note 2. Property Tax

Property taxes include amounts levied against all real, public utility and tangible personal property located in the County. Property tax revenue received during 2016 for real and public utility property taxes represents collections of 2015 taxes. 2016 real property taxes are levied after October 1, 2016 on the assessed value as of January 1, 2016, the lien date. Assessed values are established by state law at 35 percent of appraised market value. 2015 real property taxes are collected in 2016 and intended to finance 2016. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, state statute permits later payment dates to be established. Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2015 public utility property taxes which became a lien December 31, 2015, are levied after October 1, 2016, and are collected in 2017 with real property taxes.

The Park District property tax is generated from three sources. The first is an unvoted .1 mill levy levied by the Board of Park Commissioners. The second is a voted .3 mill ten-year renewal levy passed in November 1984, replaced in November 1994, and replaced and added an additional .5 mill making a total of .8 mill in November 2012. The third is a voted 1.9 mill ten-year levy passed in November 1986, renewed in November 1995, and replaced in 2005 and 2014.

The full tax rate for all Park District operations for the year ended December 31, 2016, was \$2.80 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2016 property tax receipts were based are as follows:

General Real Estate Real/Agriculture	\$4,357,295,320
--------------------------------------	-----------------

General Real Estate-Other	1,146,770,770
Public Utility Tangible	365,366,350
Total Valuation	<u><u>\$5,869,432,440</u></u>

Property taxes estimated as of December 31, 2016 to be levied in 2017 are accrued as a receivable and offset as deferred inflows.

Note 3. Deposits and Investments

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

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

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

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

1. U.S. Treasury Bills and Notes and all other investments backed by the full faith and credit of the U.S. Government, or an agency of the U.S. Government;
2. Certificates of Deposit, fully collateralized, issued by F.D.I.C. Depository banks and savings institutions in Lake County;
3. As authorized by Ohio Revised Code Section 135.45, the Treasurer may invest in the State Treasury Asset Reserve Ohio program (STAR Ohio); and,
4. Repurchase agreements, fully collateralized, purchased through F.D.I.C. local banks or State of Ohio registered brokers operating through a third party trustee.

Specifically excluded securities and obligations are commercial papers, banker's acceptance notes, reverse repurchase agreements, and derivatives.

Cash on Hand - At year-end, the Park District had \$10,930 in undeposited cash on hand, which is included on the balance sheet of the Park District as part of cash and cash equivalents.

Deposits - At December 31, 2016, the Park District had the following:

	<u>Fair Value</u>	<u>Average Maturity</u>
Demand Deposits	\$3,262,343	N/A
Certificates of Deposit	744,000	20 Months
STAR Plus	7,200,000	N/A

Custodial Credit Risk - Custodial credit risk for deposits is the risk that in the event of bank failure, the Park District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$3,065,620 of the Park District’s bank balance of \$3,567,079 was uninsured and uncollateralized. Although the collateral/securities were held by the pledging institutions’ trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Park District to a successful claim by the F.D.I.C.

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

Investments - STAR Ohio is measured at net asset value per share while all other investments are measured at fair value. Fair value is determined by quoted market prices and acceptable other pricing methodologies. As of December 31, 2016, the Park District had the following investments:

	<u>Fair Value</u>	<u>Average Maturity</u>
STAR Ohio	\$2,000,000	51.6 Days
STAR Ohio Restricted	300,000	51.6 Days

The Park District has categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the Park District’s recurring fair value measurements as of December 31, 2016. All of the Park District’s investments measured at fair value are using quoted market prices (Level 1 inputs).

Interest Rate Risk As a means of limiting its exposure to fair value losses caused by rising interest rates, the Park District’s investment policy requires that operating funds be invested primarily in investments so that the securities mature to meet cash requirements for ongoing operations and long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity. To date, no investments have been purchased with a life greater than four years.

Custodial Credit Risk - In so much as the Park District’s investments are with Certificates of Deposit and STAR Ohio, there is no custodial credit risk.

Credit Risk - STAR Ohio carries a rating of AAAM by Standard & Poor’s. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

Note 4. Employee Retirement System – Ohio Public Employees Retirement System

Net Pension Asset/Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

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

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

	State and Local	Law Enforcement
2016 Statutory Maximum Contribution Rates		
Employer	14.0 %	18.1 %
Employee	10.0 %	**
2016 Actual Contribution Rates		
Employer:		
Pension	12.0 %	16.1 %
Post-employment Health Care Benefits	2.0	2.0
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>13.0 %</u>

** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The Park District's contractually required contribution was \$985,159 for 2016. Of this amount, \$24,980 is reported as Due to Other Governments Payable.

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

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

	Traditional Pension Plan	Combined Pension Plan	Total
Proportion of the Net Pension Liability/Asset Prior Measurement Date	0.060433%	0.045182%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	<u>0.063227%</u>	<u>0.050710%</u>	
Change in Proportionate Share	<u>0.002794%</u>	<u>0.005528%</u>	
Proportionate Share of the Net Pension Liability/(Asset)	\$ 10,951,713	\$ (24,676)	\$ 10,927,037
Pension Expense	\$ 1,538,812	\$ 13,011	\$ 1,551,823

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

	<u>OPERS</u>
Deferred Outflows of Resources	
Net difference between projected and actual earnings on pension plan investments	\$3,229,774
Changes in proportion and differences between City contributions and proportionate share of contributions	222,340
Park District contributions subsequent to the measurement date	<u>985,159</u>
Total Deferred Outflows of Resources	<u><u>\$4,437,273</u></u>
Deferred Inflows of Resources	
Differences between expected and actual experience	\$222,868
Changes in proportion and differences between Park District contributions and proportionate share of contributions	<u>1,438</u>
Total Deferred Inflows of Resources	<u><u>\$224,306</u></u>

\$985,159 reported as deferred outflows of resources related to pension resulting from Park District contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	<u>OPERS</u>
2017	\$807,784
2018	859,257
2019	837,750
2020	729,334
2021	(1,595)
Thereafter	<u>(4,722)</u>
Total	<u><u>\$3,227,808</u></u>

Actuarial Assumptions - OPERS

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

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

Traditional Plan:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	4.25 to 10.05 percent including wage inflation 3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

Combined Plan:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	4.25 to 8.05 percent including wage inflation 3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

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

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

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

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is .4 percent for 2015.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2015 and the long-term expected real rates of return:

Asset Class	Target Allocation	Long Term Expected Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	20.70	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	18.30	7.40
Other investments	18.00	4.59
Total	100.00 %	5.28 %

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

Sensitivity of the Park District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the Park District’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 8 percent, as well as what the Park District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Park District's proportionate share of the net pension liability	\$17,448,248	\$10,927,037	\$5,427,547

Note 5. Post-employment Benefits – Ohio Public Employees Retirement System

Plan Description OPERS administers three separate pension plans: the Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan, and the Combined Plan – a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple employer defined benefit post-employment health care plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available.

The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement 45. OPERS' eligibility requirements for post-employment health care coverage changed for those retiring on and after January 1, 2015. Please see the Plan Statement in the OPERS 2016 CAFR for details.

The Ohio Revised Code permits, but does not require, OPERS to provide the OPEB benefits to its eligible benefit recipients. Authority to establish and amend health care coverage is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr/shtml>, by writing to OPERS, 277 East Town Street, Columbus OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, state and local employers contributed at a rate of 14.00 percent of earnable salary and public safety and law enforcement employers contributed at 18.10 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund the OPEB Plan.

OPERS' Post-Employment Health Care Plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0 percent during calendar year 2015. Effective January 1, 2016, the portion of employer contributions allocated to health care remains at 2 percent for both plans, as recommended by OPERS' actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The Park District's contributions allocated to fund post-employment health care benefits for regular employees for the years ended December 31, 2016, 2015, and 2014 were \$145,054, \$148,260, and \$138,857 respectively; 97 percent was contributed for 2016 with the balance being reported as due to other governments payable, while 100 percent was contributed for 2015 and 2014. The Park District's contributions allocated to fund post-employment health care benefits for law enforcement employees for the years ended December 31, 2016, 2015, and 2014 were \$13,369, \$14,080, and \$14,080, respectively; 98 percent was contributed for 2016 with the balance being reported as due to other governments payable, while 100 percent was contributed for 2015 and 2014.

Note 6. Capital Assets

A. Capital Assets – Governmental Activities. Changes in capital assets during the year ended December 31, 2016 are as follows.

<u>Class</u>	Balance December 31, 2015	Additions	Deletions	Balance December 31, 2016	Less Accumulated Depreciation	Net Book Value
Non Depreciated Assets:						
Land	\$35,092,188	\$1,565,311	\$0	\$36,657,499	\$0	\$36,657,499
Livestock	24,795	19,800	10,895	33,700	0	33,700
Construction in Progress	1,735,958	569,150	1,699,529	605,579	0	605,579
Total Non-depreciable Assets	\$36,852,941	\$2,154,261	\$1,710,424	\$37,296,778	\$0	\$37,296,778
Depreciated Assets:						
Buidings	\$13,763,082	\$1,893,910	\$39,523	\$15,617,469	\$6,452,086	\$9,165,383
Machinery/Equipment	4,178,270	1,086,015	339,716	4,924,569	2,727,655	2,196,914
Vehicles	3,271,490	257,262	202,160	3,326,592	2,182,213	1,144,379
Furniture/Fixtures	1,319,398	42,994	18,246	1,344,146	950,479	393,667
Lease Hold						
Improvements	2,598,758	26,415	2,582	2,622,591	1,029,157	1,593,434
Infrastructure	10,466,935	2,090,506	-	12,557,441	5,161,761	7,395,680
Total Depreciated Assets	\$35,597,933	\$5,397,102	\$602,227	\$40,392,808	\$18,503,351	\$21,889,457
Total Capital Assets	\$72,450,874	\$7,551,363	\$2,312,651	\$77,689,586		\$59,186,235

Capital Assets – Business-type Activities. Changes in Golf Fund capital assets during the year ended December 31, 2016 are as follows.

<u>Class</u>	Balance December 31, 2015	Additions	Deletions	Balance December 31, 2016	Less Accumulated Depreciation	Net Book Value
Non Depreciated Assets:						
Land	\$2,707,181	\$6,375	\$0	\$2,713,556	\$0	\$2,713,556
Total Non-depreciable Assets	\$2,707,181	\$6,375	\$0	\$2,713,556	\$0	\$2,713,556
Depreciated Assets:						
Buidings	\$4,409,566	\$202,275	\$0	\$4,611,841	\$2,317,276	\$2,294,565
Machinery/Equipment	1,590,592	42,207	143,855	1,488,944	1,124,414	364,530
Vehicles	620,641	119,223	48,695	691,169	341,222	349,947
Furniture/Fixtures	217,588	9,198	0	226,786	191,478	35,308
Land Improvements	4,304,997	16,975	0	4,321,972	2,754,996	1,566,976
Total Depreciated Assets	\$11,143,384	\$389,878	\$192,550	\$11,340,712	\$6,729,386	\$4,611,326
Total Capital Assets	\$13,850,565	\$396,253	\$192,550	\$14,054,268	\$6,729,386	\$7,324,882

B. Changes in Accumulated Depreciation – Governmental Activities for the year ended December 31, 2016. Governmental activities depreciation is charged to Parks and Recreation.

<u>Class</u>	Accumulated	Additions	Deletions	Accumulated
	Depreciation			Depreciation
	December 31,			December 31,
	2015			2016
Buildings	\$6,037,466	\$447,648	\$33,028	\$6,452,086
Machinery/Equipment	2,754,439	274,746	301,530	2,727,655
Vehicles	2,162,695	213,996	194,478	2,182,213
Furniture/Fixtures	911,824	56,901	18,246	950,479
Leasehold Improvements	911,602	120,137	2,582	1,029,157
Infrastructure	4,669,785	491,976	0	5,161,761
Total Accumulated Depreciation	\$17,447,811	\$1,605,404	\$549,864	\$18,503,351

Changes in Accumulated Depreciation – Business-type Activities for the year ended December 31, 2016. Business-type activities depreciation is charged to Golf.

<u>Class</u>	Accumulated	Additions	Deletions	Accumulated
	Depreciation			Depreciation
	December 31,			December 31,
	2015			2016
Buildings	\$2,154,439	\$162,837	\$0	\$2,317,276
Machinery/Equipment	1,209,854	56,549	141,988	1,124,415
Vehicles	341,843	48,074	48,694	341,223
Furniture/Fixtures	186,923	4,555	0	191,478
Land Improvements	2,583,502	171,492	0	2,754,994
Total Accumulated Depreciation	\$6,476,561	\$443,507	\$190,682	\$6,729,386

Note 7. Long-Term Debt Obligations

A. Changes in Long-term Liabilities. During the year ended December 31, 2016, the following changes occurred in liabilities reported in long-term liabilities governmental activities and business-type activities. The General Fund is the governmental fund type that has been used to liquidate compensated absences.

Governmental Activities	December 31,			December 31,	Due Within
Long-Term Obligations	2015	Additions	Deletions	2016	One Year
Compensated Absences	\$ 1,644,509	\$ 615,838	\$ 930,805	\$ 1,329,542	\$ 613,738
Net Pension Liability - OPERS	6,654,746	3,344,167	-	9,998,913	-
Total Governmental Activities	\$ 8,299,255	\$ 3,960,005	\$ 930,805	\$ 11,328,455	\$ 613,738

Business Type Activities						
Long-Term Obligations						
Compensated Absences	\$ 125,004	\$ 23,180	\$ 56,298	\$ 91,886	\$ 35,100	
Net Pension Liability - OPERS	634,133	318,667	-	952,800	-	
Total Business Type Activities	\$ 759,137	\$ 341,847	\$ 56,298	\$ 1,044,686	\$ 35,100	

Note 8. Commitments and Contingencies

At December 31, 2016, the Park District had the following significant encumbrances:

Improvement Fund	
Farmpark-Equine Barn	\$182,262
Dominish Property Purchase	285,000
Park-wide Aggregate	92,645
PG Meadow Loop Paving	12,108
PT-Pier	1,968,697
Total Improvement Fund	\$2,540,712

Note 9. Goodwill

On May 1, 1993, the Park District purchased the Pine Ridge Country Club for \$2,700,000. At that time the fair market value of the asset was \$2,489,750. Therefore, \$210,250 was recorded as Goodwill. Goodwill is being amortized on a straight-line basis over 30 years. Goodwill charged in 2016 was \$7,008. As of December 31, 2016, the Goodwill balance was \$44,392. The amortization schedule is shown below:

Year	Amount Amortized
2017	\$7,008
2018	7,008
2019	7,008
2020	7,008
2021-2023	16,360
Total	<u>\$44,392</u>

Note 10. 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. During 2016, the Park District contracted with several companies for various types of insurance as follows:

Carrier	Coverage	Deductible
Selective Insurance Companies	Property and Inland Marine	\$25,000
Selective Insurance Companies	Liquor and General Liability	25,000
Selective Insurance Companies	General Liability Umbrella	N/A
Selective Insurance Companies	Automobile	25,000

Scottsdale Indemnity Company	Law Enforcement	25,000
Scottsdale Indemnity Company	Public Officials Liability	25,000
National Union Fire Insurance	Volunteer Insurance	None
Travelers Insurance	Crime	Various

Settled claims have not exceeded this coverage in any of the past three years. The Park District pays the State Workers' Compensation system a premium based on a rate per \$100 of salary. This rate is calculated based on accident history and administrative costs. The Park District manages the hospital/medical, dental, and vision for its employees on a self-insured basis through the hospitalization self-insurance Internal Service Fund. Payments to the fund are made from the fund from which each employee is paid. Rates for 2016 were \$1,366 for family coverage and \$427 for single coverage. Five percent was paid by the employees. These rates were determined to maintain the balance in the Internal Service Fund to required levels. Medical Mutual of Ohio, the third party administrator, processes and pays the claims. An excess coverage insurance (stop-loss) policy purchased from Medical Mutual of Ohio covers claims in excess of \$85,000 per individual and total aggregate excess of 125 percent of expected claims.

The claims liability of \$103,898 in the fund at December 31, 2016 was enumerated by the third party administrator and is based on the requirements of the Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and did not include other allocated or unallocated claim adjustment expenses. Changes in the fund's claims liability amount in 2014, 2015 and 2016 were:

	Beginning of Year	Current Year Claims	Current Payments	End of Year Balance
2014	\$87,510	\$1,320,483	\$1,167,651	\$240,342
2015	\$240,342	\$740,127	\$881,484	\$98,985
2016	\$98,985	\$937,453	\$932,540	\$103,898

The claims payable balance of \$103,898 will be paid within one year.

Note 11. Litigation

The Park District presently has no ongoing litigation.

Note 12. Budgetary Basis of Accounting

The Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Budget and Actual (Non-GAAP) Budgetary Basis - General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results compared to the budget and to demonstrate compliance with State statutes. The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts and disbursements. The major differences between the budget basis and the GAAP basis follow.

- (1) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
- (2) Expenditures are recorded when paid in cash or encumbered (budget) as opposed to when the liability is incurred (GAAP).
- (3) Encumbrances are recorded as expenditures (budget) as opposed to a reservation of fund balance (GAAP).

Listed below is a reconciliation of the results of operations for the year ended December 31, 2016 from the modified accrual basis to the budgetary basis.

	General Fund
Net Change in Funds as reported - modified accrual basis	\$1,923,673
Decrease (increase) in accounts receivable, interest receivable, and prepaid items	(14,608)
Increase (decrease) in accounts payable, due to other governments, accrued liabilities, accrued wages, matured compensated absences and petty cash	(104,245)
Change in the Fair Value of Investments	(3,964)
2016 encumbrances recognized as expenditures on a budgetary basis	(241,366)
Prior year encumbrances paid in 2016 not recognized budgetary basis	159,577
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other (Uses) as reported - budgetary basis	<u>\$1,719,067</u>

Note 13. Fund Balance

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

<u>Fund Balance</u>	<u>General Fund</u>	<u>Improvement Fund</u>	<u>Drug Enforcement Fund</u>
Non-Spendable for:			
Prepaid Items	\$128,797		
Materials and Supplies Inventory	243,438		
Total Non-Spendable	<u>372,235</u>	<u>0</u>	<u>0</u>
Restricted for:			
Drug Enforcement			13,430
Total Restricted	<u>0</u>	<u>0</u>	<u>13,430</u>
Committed to:			
Capital Improvements	0	2,540,712	0
Total Committed	<u>0</u>	<u>2,540,712</u>	<u>0</u>
Assigned for:			
Unpaid Obligations	216,308	1,470,967	0
Unassigned	8,024,290	0	0
Total Assigned	<u>8,240,598</u>	<u>1,470,967</u>	<u>0</u>
Total Fund Balance	<u>\$8,612,833</u>	<u>\$4,011,679</u>	<u>\$13,430</u>

Note 14. Change in Accounting Principle

For 2016, the Park District implemented Government Accounting Standards Board (GASB) GASB Statement No. 79 establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. This Statement provides accounting and financial reporting guidance and also establishes additional note disclosure requirements for governments that participate in those pools. The Park District participates in STAR Ohio which implemented GASB Statement No. 79 for the fiscal year 2016. Also, the Park District implemented GASB Statement No. 72, Fair Value Measurement of Application. The objective of this Statement is to address accounting and financial reporting issued related to fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The Park District incorporated the corresponding GASB 72 and 79 guidance into their 2016 financial statements; however, there is no effect on beginning net position/fund balance.

Lake Metroparks
 Required Supplementary Information
 Schedule of the Park District's Proportionate Share of Net Pension Asset and Liability
 Ohio Public Employees Retirement System - Traditional and Combined Plans
 Last Three Years (1)

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Park District's Proportion of the Net Pension Liability - Traditional Plan	0.063227%	0.0603287%	0.0603287%
Park District's Proportion of the Net Pension Liability - Combined Plan	0.050710%	0.0045182%	0.0045182%
Park District's Proportionate Share of the Net Pension Liability - Traditional Plan	\$ 7,625,883	\$ 7,288,879	\$ 7,124,248
Park District's Proportionate Share of the Net Pension Asset - Combined Plan	\$ 19,525	\$ 17,396	\$ 4,740
Park District's Covered-Employee Payroll	\$ 8,286,134	\$ 7,580,179	\$ 7,391,688
Park District's Proportionate Share of the Net Pension as of Liability as a Percentage of its Covered-Employee Payroll - Traditional Plan	92.03%	96.16%	96.38%
Park District's Proportionate Share of the Net Pension as of Liability as a Percentage of its Covered-Employee Payroll - Combined Plan	0.24%	0.23%	0.06%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability - Traditional Plan	81.08%	86.45%	86.36%
Plan Fiduciary Net Position as a Percentage of the Total Pension - Combined Plan	116.90%	114.83%	104.56%

(1) The required supplementary information is intended to show information for ten years, and the additional years' information will be displayed as it becomes available.

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

Lake Metroparks
 Required Supplementary Information
 Schedule of the Park District's Contributions
 Ohio Public Employees Retirement System - Traditional and Combined Plans
 Last Four Years (1)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 985,159	\$ 1,003,318	\$ 912,002	\$ 884,668
Contributions in Relation to the Contractually Required Contribution	\$ (985,159)	\$ (1,003,318)	\$ (912,002)	\$ (884,668)
Contributions Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Park District Covered Payroll	\$ 8,153,402	\$ 8,286,134	\$ 7,580,179	\$ 7,391,688
Contributions as a Percentage of Covered-Employee Payroll	12.08%	12.11%	12.03%	11.97%

(1) The required supplementary information is intended to show information for ten years, and the additional years' information will be displayed as it becomes available.

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Property Tax	\$13,499,837	\$13,760,815	\$14,427,675	\$666,860
Intergovernmental	2,083,842	2,036,978	2,050,584	13,606
Fees and Admissions	1,396,200	1,396,200	1,741,812	345,612
Merchandise Sales	393,550	393,550	454,182	60,632
Interest	8,000	8,000	35,330	27,330
Fines and Forfeitures	2,000	2,000	3,910	1,910
Contribution	84,400	84,400	88,297	3,897
Miscellaneous	75,400	51,392	78,559	27,167
<i>Total Revenues</i>	<u>17,543,229</u>	<u>17,733,335</u>	<u>18,880,349</u>	<u>1,147,014</u>
Expenditures				
Executive Division				
Salaries	338,510	339,810	339,768	42
OPERS	47,350	47,520	47,517	3
Medicare	4,920	4,922	4,922	--
Workers' Compensation	10,150	6,678	4,904	1,774
Medical Insurance	46,033	46,033	20,391	25,642
Professional Memberships	6,400	8,400	8,373	27
Travel	2,750	2,750	1,069	1,681
Mileage	2,300	2,300	1,694	606
Supplies	2,950	2,950	2,042	908
Contract Services	115,500	115,500	89,370	26,130
Telephone	3,079	3,079	3,079	--
Advertising	1,000	1,000	72	928
Capital	1,700	1,700	400	1,300
<i>Total Executive Division</i>	<u>582,642</u>	<u>582,642</u>	<u>523,601</u>	<u>59,041</u>
Registration Division				
Salaries	164,450	164,450	153,477	10,973
OPERS	23,030	23,020	21,487	1,533
Medicare	2,390	2,390	2,225	165
Workers' Compensation	4,940	4,940	2,056	2,884
Medical Insurance	36,078	36,078	31,070	5,008
Training and Education	700	700	--	700
Travel	100	100	--	100
Mileage	300	300	--	300
Supplies	525	525	202	323
Contract Services	12,783	12,783	10,356	2,427
Telephone	3,694	3,694	3,693	1
Capital Equipment	400	410	409	1
<i>Total Registration Division</i>	<u>249,390</u>	<u>249,390</u>	<u>224,975</u>	<u>24,415</u>

(Continued)

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Administrative Services Division				
Salaries	705,660	649,747	610,361	39,386
OPERS	80,440	80,440	77,246	3,194
Medicare	8,350	8,810	8,810	--
Workers' Compensation	17,250	17,250	7,757	9,493
Medical Insurance	157,379	157,379	110,082	47,297
Professional Memberships	3,300	3,300	1,400	1,900
Training and Education	9,729	9,729	2,881	6,848
Travel	16,194	16,194	9,451	6,743
Mileage	1,950	2,210	2,204	6
Supplies	50,615	50,615	32,892	17,723
Contract Services	374,860	375,410	375,403	7
Telephone	8,004	8,004	7,856	148
Advertising	17,000	17,000	11,554	5,446
Rentals	1,516	1,551	1,547	4
Insurance	174,200	186,000	185,938	62
Capital Equipment	2,050	2,050	904	1,146
Land Acquisition	55,000	55,000	19,706	35,294
Total Administrative Services Division	1,683,497	1,640,689	1,465,992	174,697
Marketing Division				
Salaries	383,470	382,620	348,238	34,382
OPERS	53,540	53,540	48,602	4,938
Medicare	5,560	5,560	5,034	526
Workers' Compensation	11,480	11,480	5,299	6,181
Medical Insurance	93,058	93,058	87,385	5,673
Professional Memberships	6,165	6,165	5,221	944
Training and Education	4,700	4,700	120	4,580
Travel	4,410	4,410	1,583	2,827
Mileage	650	650	--	650
Supplies	18,358	18,358	13,956	4,402
Contract Services	206,216	206,216	174,404	31,812
Electric	2,000	2,000	1,891	109
Heat (Oil/Gas)	1,000	1,000	341	659
Water/Sewer	380	380	78	302
Telephone	7,176	7,176	7,159	17
Contract Repairs	200	200	--	200
Advertising	15,600	15,600	11,386	4,214
Rentals	1,400	1,650	1,650	--
Capital Equipment	--	600	600	--
Total Marketing Division	815,363	815,363	712,947	102,416

(Continued)

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Interpretive Services Division				
Salaries	897,700	885,966	879,291	6,675
OPERS	125,290	125,290	116,365	8,925
Medicare	12,990	12,990	11,863	1,127
Workers' Compensation	26,870	26,870	12,620	14,250
Unemployment Compensation	--	470	467	3
Medical Insurance	66,635	68,545	68,536	9
Professional Memberships	800	830	828	2
Training and Education	3,000	3,000	550	2,450
Travel	3,700	4,340	4,337	3
Mileage	100	239	239	--
Supplies	114,635	114,635	112,634	2,001
Contract Services	56,550	57,710	57,708	2
Electric	38,000	42,085	42,082	3
Heat (Oil/Gas)	10,000	10,000	4,491	5,509
Water/Sewer	5,500	5,500	3,694	1,806
Telephone	32,783	32,783	31,838	945
Contract Repairs	15,000	15,300	15,298	2
Advertising	2,000	2,200	2,198	2
Rentals	1,400	1,400	905	495
Materials	7,500	7,500	7,447	53
Capital Equipment	13,000	15,800	15,788	12
Total Interpretive Services Division	1,433,453	1,433,453	1,389,179	44,274
Park Operations Division				
Salaries	2,606,717	2,606,717	2,534,004	72,713
OPERS	390,770	390,770	372,994	17,776
Medicare	37,460	37,460	36,409	1,051
Workers' Compensation	77,500	77,500	35,808	41,692
Unemployment Compensation	--	280	279	1
Medical Insurance	575,216	566,021	454,997	111,024
Professional Memberships	1,875	1,875	1,778	97
Training and Education	6,900	6,900	2,810	4,090
Travel	5,950	5,950	4,027	1,923
Supplies	469,669	469,669	348,331	121,338
Contract Services	239,537	239,537	209,048	30,489
Electric	68,400	72,605	72,604	1
Heat (Oil/Gas)	26,500	26,500	4,677	21,823
Water/Sewer	12,000	16,710	16,709	1
Telephone	28,116	28,116	27,005	1,111
Contract Repairs	62,780	62,780	40,124	22,656
Advertising	840	840	--	840
Rentals	48,350	48,350	28,318	20,032
Materials	48,100	48,100	29,682	18,418
Capital Equipment	20,543	20,543	18,986	1,557
Total Park Operations Division	4,727,223	4,727,223	4,238,590	488,633

(Continued)

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Park Planning Division				
Salaries	688,189	641,704	630,729	10,975
OPERS	96,097	96,097	87,849	8,248
Medicare	9,954	9,954	9,117	837
Workers' Compensation	20,600	20,600	9,393	11,207
Medical Insurance	198,590	198,590	143,862	54,728
Professional Memberships	2,400	2,400	1,712	688
Training and Education	1,500	1,500	299	1,201
Travel	5,735	5,735	776	4,959
Supplies	13,600	14,645	14,642	3
Contract Services	60,050	104,770	104,768	2
Telephone	25,540	25,540	23,520	2,020
Materials	18,000	18,000	14,294	3,706
Capital Equipment	500	1,220	1,217	3
Total Park Planning Division	1,140,755	1,140,755	1,042,178	98,577
Outdoor Education Division				
Salaries	949,295	949,295	939,175	10,120
OPERS	132,355	132,355	124,435	7,920
Medicare	13,715	13,113	11,322	1,791
Workers' Compensation	28,370	28,370	13,396	14,974
Unemployment Compensation	--	602	602	--
Medical Insurance	155,068	155,068	133,886	21,182
Professional Memberships	390	390	196	194
Training and Education	1,100	1,100	500	600
Travel	5,420	5,420	3,346	2,074
Mileage	1,900	1,900	1,791	109
Supplies	164,850	164,850	143,910	20,940
Contract Services	98,395	98,395	81,515	16,880
Electric	36,000	36,000	31,406	4,594
Heat (Oil/Gas)	10,400	10,400	3,504	6,896
Water/Sewer	13,650	13,650	7,827	5,823
Telephone	20,573	20,573	20,359	214
Contract Repairs	26,200	26,200	16,053	10,147
Advertising	800	800	361	439
Rentals	9,960	9,960	7,630	2,330
Materials	1,400	1,400	647	753
Capital Equipment	52,920	52,920	37,631	15,289
Total Outdoor Education Division	1,722,761	1,722,761	1,579,492	143,269

(Continued)

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Farmpark Division				
Salaries	1,404,310	1,495,100	1,495,096	4
OPERS	196,330	199,790	199,790	--
Medicare	20,340	21,640	21,638	2
Workers' Compensation	42,080	20,480	20,435	45
Medical Insurance	279,065	257,655	257,654	1
Professional Memberships	660	660	471	189
Training and Education	250	287	287	--
Travel	1,050	1,050	588	462
Mileage	100	100	--	100
Supplies	352,960	343,960	343,865	95
Contract Services	120,060	113,160	112,897	263
Electric	72,000	72,000	69,394	2,606
Heat (Oil/Gas)	32,000	17,600	17,586	14
Water/Sewer	14,000	15,091	15,091	--
Telephone	24,450	24,450	23,440	1,010
Contract Repairs	30,150	24,650	24,613	37
Advertising	41,500	40,500	40,293	207
Rentals	7,650	7,695	7,695	--
Materials	24,800	20,900	20,802	98
Capital Equipment	32,900	62,695	62,693	2
Total Farmpark Division	2,696,655	2,739,463	2,734,328	5,135
<i>Total General Fund Expenditures</i>	<u>15,051,739</u>	<u>15,051,739</u>	<u>13,911,282</u>	<u>1,140,457</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	2,491,490	2,681,596	4,969,067	2,287,471
Other Financing Sources (Uses)				
Transfer Out	(3,250,000)	(3,250,000)	(3,250,000)	--
<i>Total Other Financing Sources (Uses)</i>	<u>(3,250,000)</u>	<u>(3,250,000)</u>	<u>(3,250,000)</u>	<u>--</u>
<i>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other (Uses)</i>	(758,510)	(568,404)	1,719,067	2,287,471
<i>Fund Balance Budget Basis - Beginning of the Year</i>	6,481,372	6,481,372	6,481,372	--
Recovery of Prior Year Encumbrances	42,085	42,085	42,085	--
<i>Fund Balance Budget Basis - End of the Year</i>	<u>\$5,764,947</u>	<u>\$5,955,053</u>	<u>\$8,242,524</u>	<u>\$2,287,471</u>

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non-GAAP) Budgetary Basis
Improvement Fund
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Intergovernmental	\$1,130,000	\$1,130,000	\$322,508	(\$807,492)
Interest	--	--	16,045	16,045
Contributions	150,000	150,000	82,500	(67,500)
Miscellaneous	73,000	73,000	82,064	9,064
<i>Total Revenues</i>	<u>1,353,000</u>	<u>1,353,000</u>	<u>503,117</u>	<u>(849,883)</u>
Expenditures				
Construction	5,253,500	5,253,500	5,071,892	181,608
Capital Equipment	398,500	402,450	393,136	9,314
Land Acquisition	472,500	958,350	958,323	27
<i>Total Expenditures</i>	<u>6,124,500</u>	<u>6,614,300</u>	<u>6,423,351</u>	<u>190,949</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	(4,771,500)	(5,261,300)	(5,920,234)	(658,934)
Other Financing Sources (Uses)				
Transfers In	2,500,000	2,500,000	2,500,000	--
<i>Total Other Financing Sources (Uses)</i>	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>--</u>
<i>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other (Uses)</i>	(2,271,500)	(2,761,300)	(3,420,234)	(658,934)
<i>Fund Balance Budget Basis - Beginning of the Year</i>	3,901,388	3,901,388	3,901,388	--
Recovery of Prior Year Encumbrances	124,522	124,522	124,522	--
<i>Fund Balance Budget Basis - End of the Year</i>	<u>\$1,754,410</u>	<u>\$1,264,610</u>	<u>\$605,676</u>	<u>(\$658,934)</u>

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non-GAAP) Budgetary Basis
Drug Enforcement Fund
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Fines and Forfeitures	\$2,000	\$2,000	\$10,006	\$8,006
Interest	10	10	40	30
<i>Total Revenues</i>	<u>2,010</u>	<u>2,010</u>	<u>10,046</u>	<u>8,036</u>
Expenditures				
Supplies	500	198	--	198
Contracts	1,000	1,000	295	705
Capital Equipment	3,000	3,302	3,302	--
<i>Total Expenditures</i>	<u>4,500</u>	<u>4,500</u>	<u>3,597</u>	<u>903</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	(2,490)	(2,490)	6,449	8,939
<i>Fund Balance Budget Basis - Beginning of the Year</i>	<u>6,939</u>	<u>6,939</u>	<u>6,939</u>	<u>--</u>
<i>Fund Balance Budget Basis - End of the Year</i>	<u><u>\$4,449</u></u>	<u><u>\$4,449</u></u>	<u><u>\$13,388</u></u>	<u><u>\$8,939</u></u>

Lake Metroparks
Schedule of Revenues, Expenses and Changes in Fund Equity
Budget and Actual (Non-GAAP) Budgetary Basis
Enterprise Fund
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Intergovernmental	\$110,000	\$110,000	\$--	(\$110,000)
Fees and Admissions	971,900	971,900	1,038,172	66,272
Merchandise Sales	221,100	221,100	232,731	11,631
Interest	150	150	1,830	1,680
Contributions	500	500	1,125	625
Miscellaneous Revenue	--	--	724	724
<i>Total Revenues</i>	<u>1,303,650</u>	<u>1,303,650</u>	<u>1,274,582</u>	<u>(29,068)</u>
Expenses				
Salaries	655,980	655,980	652,073	3,907
OPERS	91,280	91,280	86,532	4,748
Medicare	9,465	9,465	8,870	595
Workers' Compensation	19,565	19,565	10,028	9,537
Unemployment	--	980	979	1
Medical Insurance	116,469	116,469	84,186	32,283
Professional Memberships	1,925	2,040	2,040	--
Training and Education	300	300	190	110
Travel	250	250	--	250
Supplies	275,080	275,080	256,999	18,081
Contracts, Construction	497,000	477,134	321,805	155,329
Contract Services	46,195	48,736	48,736	--
Electric	34,000	37,645	37,644	1
Heat (Oil/Gas)	18,200	18,200	3,260	14,940
Water/Sewer	14,650	14,650	9,619	5,031
Telephone	17,380	17,380	15,008	2,372
Contract Repairs	45,050	45,050	44,271	779
Advertising	3,300	3,300	1,913	1,387
Rentals	157,230	157,230	156,803	427
Insurance	16,200	17,512	17,512	--
Materials	200	200	39	161
Capital Equipment	134,200	145,470	145,470	--
Land Acquisition	1,700	1,703	1,703	--
<i>Total Expenses</i>	<u>2,155,619</u>	<u>2,155,619</u>	<u>1,905,680</u>	<u>249,939</u>
<i>Excess (Deficiency) of Revenues Over Expenses</i>	(851,969)	(851,969)	(631,098)	220,871
Other Financing Sources (Uses)				
Transfers In	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>--</u>
<i>Total Other Financing Sources (Uses)</i>	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>--</u>
<i>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenses and Other (Uses)</i>	(101,969)	(101,969)	118,902	220,871
<i>Fund Equity Budget Basis - Beginning of the Year</i>	216,951	216,951	216,951	--
Recovery of Prior Year Encumbrances	<u>5,324</u>	<u>5,324</u>	<u>5,324</u>	<u>--</u>
<i>Fund Equity Budget Basis - End of the Year</i>	<u>\$120,306</u>	<u>\$120,306</u>	<u>\$341,177</u>	<u>\$220,871</u>

Lake Metroparks
Schedule of Revenues, Expenses and Changes in Fund Equity
Budget and Actual (Non-GAAP) Budgetary Basis
Internal Service Fund
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Fees and Admissions	\$1,585,000	\$1,585,000	\$1,475,676	(\$109,324)
Interest	500	500	1,151	651
<i>Total Revenues</i>	<u>1,585,500</u>	<u>1,585,500</u>	<u>1,476,827</u>	<u>(108,673)</u>
Expenses				
Contract Services	1,534,000	1,534,000	1,275,558	258,442
<i>Total Expenses</i>	<u>1,534,000</u>	<u>1,534,000</u>	<u>1,275,558</u>	<u>258,442</u>
<i>Excess (Deficiency) of Revenues Over Expenses</i>	51,500	51,500	201,269	149,769
<i>Fund Equity Budget Basis - Beginning of the Year</i>	<u>677,203</u>	<u>677,203</u>	<u>677,203</u>	<u>--</u>
<i>Fund Equity Budget Basis - End of the Year</i>	<u><u>\$728,703</u></u>	<u><u>\$728,703</u></u>	<u><u>\$878,472</u></u>	<u><u>\$149,769</u></u>

Lake Metroparks
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2016

	Balance December 31, 2015	Additions	Deductions	Balance December 31, 2016
Payroll Agency				
Assets				
Restricted Cash and Cash Equivalents	\$--	\$5,529,945	\$5,529,945	\$--
Liabilities				
Due to Other Governments	\$--	\$3,618,171	\$3,618,171	\$--
Due To Others	--	1,911,774	1,911,774	--
Total Liabilities	\$--	\$5,529,945	\$5,529,945	\$--
Contractors' Escrow and Performance Bond Accounts				
Assets				
Restricted Cash and Cash Equivalents	\$96,240	\$9,659	\$90,845	\$15,054
Liabilities				
Retainage Due Contractors	\$96,240	\$9,659	\$90,845	\$15,054
Outstanding Check Agency				
Assets				
Restricted Cash and Cash Equivalents	\$16,235	\$96,314	\$88,150	\$24,399
Liabilities				
Payable from Restricted Assets	\$16,235	\$96,314	\$88,150	\$24,399
Facility Deposit, Program Refund and Group Agency				
Assets				
Restricted Cash and Cash Equivalents	\$19,265	\$40,407	\$50,531	\$9,141
Liabilities				
Payable from Restricted Assets	\$19,265	\$40,407	\$50,531	\$9,141

(Continued on next page)

Lake Metroparks
 Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 For the Year Ended December 31, 2016 (continued)

	Balance December 31, 2015	Additions	Deductions	Balance December 31, 2016
Total Agency Funds				
Assets				
Restricted Cash and Cash Equivalents	\$131,740	\$5,676,325	\$5,759,471	\$48,594
Total Assets	<u>\$131,740</u>	<u>\$5,676,325</u>	<u>\$5,759,471</u>	<u>\$48,594</u>
Liabilities				
Payable from Restricted Assets	\$35,500	\$136,721	\$138,681	\$33,540
Retainage Due Contractors	96,240	9,659	90,845	15,054
Due to Other Governments	--	3,618,171	3,618,171	--
Due To Others	--	1,911,774	1,911,774	--
Total Liabilities	<u>\$131,740</u>	<u>\$5,676,325</u>	<u>\$5,759,471</u>	<u>\$48,594</u>

Statistical Section



STATISTICAL SECTION

This part of Lake Metroparks' Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Park District's overall financial health.

CONTENTS

Tables

Financial Trends 1 - 5

These schedules contain trend information to help the reader understand how the Park District's financial performance and well-being have changed over time.

Revenue Capacity 6 - 10

These schedules contain information to help the reader assess the factors affecting the Park District's ability to generate its property taxes.

Debt Capacity 11 - 13

These schedules present information to help the reader assess the affordability of the Park District's current levels of outstanding debt and the Park District's ability to issue additional debt in the future.

Demographic and Economic Information 14 - 15

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Park District's financial activities take place and to help make comparisons over time and with other governments.

Operating Information 16 - 18

These schedules contain information about the Park District's operations and resources to help the reader understand how the Park District's financial information relates to the services the Park District provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The Park District implemented Governmental Accounting Standards Board Statement No. 34 in 2000; schedules presenting government-wide information include information beginning in that year.

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Lake Metroparks
Net Position by Component
Last Ten Years
(accrual basis of accounting)

Table 1

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental Activities:										
Investment in										
Capital Assets	\$59,186,235	\$55,003,063	\$51,566,628	\$49,646,523	\$41,081,648	\$39,011,731	\$36,542,728	\$32,459,358	\$29,699,656	\$23,677,330
Restricted	3,962,840	6,349,303	5,575,359	3,127,569	4,508,926	1,897,181	951,169	1,533,851	1,119,353	2,093,758
Unrestricted	3,581,184	1,641,140	(1,020,299)	5,217,508	8,935,678	9,450,590	9,832,222	8,710,625	7,476,608	7,747,885
<i>Total Governmental Activities</i>										
<i>Net Position</i>	66,730,259	62,993,506	56,121,688	57,991,600	54,526,252	50,359,502	47,326,119	42,703,834	38,295,617	33,518,973
Business-type Activities:										
Investment in										
Capital Assets and Goodwill	7,369,274	7,425,404	7,633,831	7,851,561	8,099,884	8,440,299	8,727,230	8,896,244	9,031,751	8,928,412
Unrestricted	(169,930)	(343,328)	(414,604)	133,546	124,531	11,796	270,439	213,076	315,875	738,750
<i>Total Business-type Activities</i>										
<i>Net Position</i>	7,199,344	7,082,076	7,219,227	7,985,107	8,224,415	8,452,095	8,997,669	9,109,320	9,347,626	9,667,162
Primary Government:										
Investment in										
Capital Assets and Goodwill	66,555,509	62,428,467	59,200,459	57,498,084	49,181,532	47,452,030	45,269,958	41,355,602	38,731,407	32,605,742
Restricted	3,962,840	6,349,303	5,575,359	3,127,569	4,508,926	1,897,181	951,169	1,533,851	1,119,353	2,093,758
Unrestricted	3,411,254	1,297,812	(1,434,903)	5,351,054	9,060,209	9,462,386	10,102,661	8,923,701	7,792,483	8,486,635
<i>Total Primary Government</i>										
<i>Net Position</i>	\$73,929,603	\$70,075,582	\$63,340,915	\$65,976,707	\$62,750,667	\$58,811,597	\$56,323,788	\$51,813,154	\$47,643,243	\$43,186,135

Lake Metroparks
 Changes in Net Position
 Last Ten Years
 (accrual basis of accounting)

Table 2

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Program Revenues										
Governmental Activities:										
Charges for Services	\$2,196,799	\$1,925,663	\$1,864,614	\$1,708,250	\$1,596,912	\$1,562,851	\$1,676,087	\$1,558,836	\$1,526,175	\$1,531,375
Operating Grants and Contributions	100,408	123,910	93,284	127,874	119,523	259,446	185,464	90,990	125,100	110,980
Capital Grants and Contributions	688,081	3,106,608	1,906,586	5,307,931	34,768	-	1,300,908	750,545	812,691	1,974,608
<i>Total Governmental Activities</i>										
<i>Program Revenues</i>	<u>2,985,288</u>	<u>5,156,181</u>	<u>3,864,484</u>	<u>7,144,055</u>	<u>1,751,203</u>	<u>1,822,297</u>	<u>3,162,459</u>	<u>2,400,371</u>	<u>2,463,966</u>	<u>3,616,963</u>
Business-type Activities:										
Charges for Services	1,270,903	1,250,204	1,243,789	1,336,732	1,484,143	1,331,538	1,479,153	1,523,581	1,469,481	1,389,858
Operating Grants and Contributions	1,250	350	1,950	1,000	4,200	2,950	2,250	4,750	6,000	5,200
<i>Total Business-type Activities</i>										
<i>Program Revenues</i>	<u>1,272,153</u>	<u>1,250,554</u>	<u>1,245,739</u>	<u>1,337,732</u>	<u>1,488,343</u>	<u>1,334,488</u>	<u>1,481,403</u>	<u>1,528,331</u>	<u>1,475,481</u>	<u>1,395,058</u>
<i>Total Primary Government</i>										
<i>Program Revenues</i>	<u>4,257,441</u>	<u>6,406,735</u>	<u>5,110,223</u>	<u>8,481,787</u>	<u>3,239,546</u>	<u>3,156,785</u>	<u>4,643,862</u>	<u>3,928,702</u>	<u>3,939,447</u>	<u>5,012,021</u>
Expenses										
Governmental Activities:										
Parks and Recreation	14,216,827	13,368,742	14,514,432	14,765,506	13,409,553	15,017,536	14,935,586	14,365,432	14,181,260	14,973,033
Interest on Long-term Debt	-	-	10,534	36,231	66,569	101,959	136,674	171,941	207,046	242,151
<i>Total Governmental Activities</i>										
<i>Expenses</i>	<u>14,216,827</u>	<u>13,368,742</u>	<u>14,524,966</u>	<u>14,801,737</u>	<u>13,476,122</u>	<u>15,119,495</u>	<u>15,072,260</u>	<u>14,537,373</u>	<u>14,388,306</u>	<u>15,215,184</u>

Lake Metroparks
Changes in Net Position
Last Ten Years
(accrual basis of accounting)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Business-type Activities:										
Golf	1,907,246	1,888,004	1,897,051	1,944,968	1,984,890	1,983,913	2,033,991	2,070,259	2,231,935	1,941,278
<i>Total Business-type Activities</i>										
Expenses	1,907,246	1,888,004	1,897,051	1,944,968	1,984,890	1,983,913	2,033,991	2,070,259	2,231,935	1,941,278
<i>Total Primary Government</i>										
Expenses	16,124,073	15,256,746	16,422,017	16,746,705	15,461,012	17,103,408	17,106,251	16,607,632	16,620,241	17,156,462
Net (Expense) Revenue										
Governmental Activities	(11,231,539)	(8,212,561)	(10,660,482)	(7,657,682)	(11,724,919)	(13,297,198)	(11,909,801)	(12,137,002)	(11,924,340)	(11,598,221)
Business-type Activities	(635,093)	(637,450)	(651,312)	(607,236)	(496,547)	(649,425)	(552,588)	(541,928)	(756,454)	(546,220)
<i>Total Primary Government</i>										
Net Expense	<u>(\$11,866,632)</u>	<u>(\$8,850,011)</u>	<u>(\$11,311,794)</u>	<u>(\$8,264,918)</u>	<u>(\$12,221,466)</u>	<u>(\$13,946,623)</u>	<u>(\$12,462,389)</u>	<u>(\$12,678,930)</u>	<u>(\$12,680,794)</u>	<u>(\$12,144,441)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Tax	\$14,490,425	\$14,251,533	\$13,446,921	\$15,014,989	\$13,237,724	\$13,144,102	\$13,006,874	\$12,914,187	\$13,138,980	\$13,745,457
Local Government Funds	1,080,734	1,190,385	1,304,184	2,139,465	2,815,857	3,153,041	3,820,038	3,783,761	3,564,209	3,014,157
Interest	57,609	20,069	7,810	12,158	6,773	4,685	9,352	30,895	262,060	502,432
Miscellaneous	89,524	122,392	99,107	134,904	98,015	128,753	131,676	116,374	149,174	89,717
Transfers	(750,000)	(500,000)	(400,000)	(350,000)	(266,700)	(100,000)	(435,854)	(300,000)	(413,439)	(2,100,000)
<i>Total Governmental Activities</i>	<u>14,968,292</u>	<u>15,084,379</u>	<u>14,458,022</u>	<u>16,951,516</u>	<u>15,891,669</u>	<u>16,330,581</u>	<u>16,532,086</u>	<u>16,545,217</u>	<u>16,700,984</u>	<u>15,251,763</u>

Lake Metroparks
Changes in Net Position
Last Ten Years
(accrual basis of accounting)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Business-type Activities:										
Interest	1,946	278	447	280	201	51	505	1,331	20,144	56,724
Loss on Disposal of Capital Assets	-	(1,058)	-	-	-	-	-	-	-	-
Miscellaneous	415	1,079	25,039	17,648	1,966	3,800	4,578	2,291	3,335	2,641
Transfers	750,000	500,000	400,000	350,000	266,700	100,000	435,854	300,000	413,439	2,100,000
<i>Total Business-type Activities</i>	<u>752,361</u>	<u>500,299</u>	<u>425,486</u>	<u>367,928</u>	<u>268,867</u>	<u>103,851</u>	<u>440,937</u>	<u>303,622</u>	<u>436,918</u>	<u>2,159,365</u>
<i>Total Primary Government</i>	<u>15,720,653</u>	<u>15,584,678</u>	<u>14,883,508</u>	<u>17,319,444</u>	<u>16,160,536</u>	<u>16,434,432</u>	<u>16,973,023</u>	<u>16,848,839</u>	<u>17,137,902</u>	<u>17,411,128</u>
Change in Net Position										
Governmental Activities	3,736,753	6,871,818	3,797,540	9,293,834	4,166,750	3,033,383	4,622,285	4,408,215	4,776,644	3,653,542
Business-type Activities	117,268	(137,151)	(225,826)	(239,308)	(227,680)	(545,574)	(111,651)	(238,306)	(319,536)	1,613,145
<i>Total Primary Government</i>										
<i>Change in Net Position</i>	<u>\$3,854,021</u>	<u>\$6,734,667</u>	<u>\$3,571,714</u>	<u>\$9,054,526</u>	<u>\$3,939,070</u>	<u>\$2,487,809</u>	<u>\$4,510,634</u>	<u>\$4,169,909</u>	<u>\$4,457,108</u>	<u>\$5,266,687</u>

Lake Metroparks
 Program Revenues by Function/Program
 Last Ten Years
 (accrual basis of accounting)

Table 3

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Function/Program										
Governmental Activities:										
Parks and Recreation	\$2,985,288	\$5,156,181	\$3,864,484	\$7,144,055	\$1,751,203	\$1,822,297	\$3,162,459	\$2,400,371	\$2,463,966	\$3,616,963
<i>Total Governmental Activities</i>	2,985,288	5,156,181	3,864,484	7,144,055	1,751,203	1,822,297	3,162,459	2,400,371	2,463,966	3,616,963
Business-type Activities:										
Golf	1,272,153	1,250,554	1,245,739	1,337,732	1,488,343	1,334,488	1,481,403	1,528,331	1,475,781	1,395,058
<i>Total Business-type Activities</i>	1,272,153	1,250,554	1,245,739	1,337,732	1,488,343	1,334,488	1,481,403	1,528,331	1,475,781	1,395,058
<i>Total Primary Government</i>	\$4,257,441	\$6,406,735	\$5,110,223	\$8,481,787	\$3,239,546	\$3,156,785	\$4,643,862	\$3,928,702	\$3,939,747	\$5,012,021

Lake Metroparks
Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

Table 4

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Fund										
Nonspendable	\$372,235	\$346,957	\$328,013	\$328,906	\$301,090	\$320,626	\$325,995	\$326,243	\$--	\$--
Committed	--	--	16,008	28,776	16,416	22,047	40,295	45,089	--	--
Assigned	216,308	166,127	219,989	48,350	216,690	239,096	250,470	254,586	--	--
Unassigned	8,024,290	6,152,914	3,985,853	3,014,159	2,212,275	3,576,721	4,330,452	4,588,029	--	--
Reserved	--	--	--	--	--	--	--	--	551,037	614,088
Unreserved	--	--	--	--	--	--	--	--	2,344,721	1,457,833
Total General Fund	8,612,833	6,665,998	4,549,863	3,420,191	2,746,471	4,158,490	4,947,212	5,213,947	2,895,758	2,071,921
All Other Governmental Funds										
Restricted	13,430	7,029	2,654	8,351	5,891	4,974	6,136	5,583	--	--
Committed	2,540,712	2,058,039	1,748,933	786,045	596,018	798,902	1,248,124	278,670	--	--
Assigned	1,470,967	4,258,222	3,823,808	3,196,323	4,587,460	1,973,860	1,142,960	2,026,439	--	--
Reserved	--	--	--	--	--	--	--	--	432,941	4,421,445
Undesignated, Reported in:										
Special Revenue Funds	--	--	--	--	--	--	--	--	5,495	8,242
Debt Service Funds	--	--	--	--	--	--	--	--	168	166
Capital Projects Funds	--	--	--	--	--	--	--	--	3,172,635	2,085,350
Total All Other Governmental Funds	4,025,109	6,323,290	5,575,395	3,990,719	5,189,369	2,777,736	2,397,220	2,310,692	3,611,239	6,515,203
Total Governmental Funds	\$12,637,942	\$12,989,288	\$10,125,258	\$7,410,910	\$7,935,840	\$6,936,226	\$7,344,432	\$7,524,639	\$6,506,997	\$8,587,124

Note: GASB Statement No. 54 changed the reporting of fund balances by establishing fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The Park District adopted GASB Statement No. 54 for the year ending December 31, 2010.

Lake Metroparks
 Changes in Fund Balances, Governmental Funds
 Last Ten Years
 (modified accrual basis of accounting)

Table 5

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Revenues										
Property Taxes	\$14,427,675	\$14,260,551	\$13,935,222	\$13,941,446	\$12,067,641	\$12,006,006	\$12,024,728	\$12,086,741	\$12,362,912	\$12,921,076
Intergovernmental	3,003,122	5,174,596	3,593,193	5,955,211	2,815,857	3,249,070	5,130,229	4,539,624	4,232,930	4,227,740
Fees and Admissions	1,750,245	1,485,377	1,463,957	1,303,320	1,203,335	1,199,290	1,284,526	1,191,817	1,161,800	1,157,470
Merchandise Sales	453,182	435,531	414,872	400,706	392,183	360,971	388,043	362,715	362,045	367,468
Interest	57,563	20,063	14,321	11,932	6,414	4,223	8,403	27,344	238,798	468,251
Fines and Forfeitures	13,916	7,250	3,570	4,224	1,394	2,590	3,518	4,304	2,330	6,437
Contributions	182,908	135,560	564,418	929,099	154,291	163,417	176,181	85,672	269,070	872,005
Miscellaneous	152,702	119,897	99,374	134,904	98,015	128,753	131,676	116,374	149,174	89,717
<i>Total Revenues</i>	<u>20,041,313</u>	<u>21,638,825</u>	<u>20,088,927</u>	<u>22,680,842</u>	<u>16,739,130</u>	<u>17,114,320</u>	<u>19,147,304</u>	<u>18,414,591</u>	<u>18,779,059</u>	<u>20,110,164</u>
Expenditures										
Parks and Recreation	13,634,859	13,349,659	12,829,623	12,343,055	11,942,728	12,635,485	12,839,309	12,657,853	12,667,830	11,810,200
Capital Outlay	6,030,962	4,934,786	3,493,712	9,871,650	2,612,602	3,852,869	5,090,580	3,441,640	6,733,980	3,737,249
Debt Service:										
Principal Retirement	-	-	625,000	625,000	825,000	825,000	825,000	825,000	825,000	825,000
Interest and Fiscal Charges	-	-	12,741	38,437	68,776	103,881	139,013	174,117	209,223	244,327
<i>Total Expenditures</i>	<u>19,665,821</u>	<u>18,284,445</u>	<u>16,961,076</u>	<u>22,878,142</u>	<u>15,449,106</u>	<u>17,417,235</u>	<u>18,893,902</u>	<u>17,098,610</u>	<u>20,436,033</u>	<u>16,616,776</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>375,492</u>	<u>3,354,380</u>	<u>3,127,851</u>	<u>(197,300)</u>	<u>1,290,024</u>	<u>(302,915)</u>	<u>253,402</u>	<u>1,315,981</u>	<u>(1,656,974)</u>	<u>3,493,388</u>
Other Financing Sources (Uses)										
Sale of Bonds	-	-	-	-	-	-	-	-	-	-
Transfers In	2,500,000	2,500,000	3,046,418	4,000,000	4,509,480	4,078,541	3,677,211	1,300,000	2,600,000	3,000,000
Transfers Out	(3,250,000)	(3,000,000)	(3,446,418)	(4,350,000)	(4,776,180)	(4,178,541)	(4,113,065)	(1,600,000)	(3,013,439)	(5,100,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(750,000)</u>	<u>(500,000)</u>	<u>(400,000)</u>	<u>(350,000)</u>	<u>(266,700)</u>	<u>(100,000)</u>	<u>(435,854)</u>	<u>(300,000)</u>	<u>(413,439)</u>	<u>(2,100,000)</u>
<i>Net Change in Fund Balances</i>	<u>(\$374,508)</u>	<u>\$2,854,380</u>	<u>\$2,727,851</u>	<u>(\$547,300)</u>	<u>\$1,023,324</u>	<u>(\$402,915)</u>	<u>(\$182,452)</u>	<u>\$1,015,981</u>	<u>(\$2,070,413)</u>	<u>\$1,393,388</u>
Debt Service as a percentage of noncapital expenditures	0.0%	0.0%	4.6%	5.1%	7.0%	6.8%	7.0%	7.3%	7.5%	8.3%

Lake Metroparks
 Tax Revenues by Source, Governmental Funds
 Last Ten Years
(modified accrual basis of accounting)

Table 6

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Property Taxes	\$14,427,675	\$14,260,551	\$13,935,222	\$13,941,446	\$12,067,641	\$12,006,006	\$12,024,728	\$12,086,741	\$12,362,912	\$12,921,076

Lake Metroparks
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Years
 (Amounts in 000's)

Table 7

Fiscal Year	<u>REAL PROPERTY</u>		<u>PUBLIC UTILITY PROPERTY</u>		<u>PERSONAL PROPERTY</u>		<u>TOTAL</u>		Full Tax Rate Per \$1,000 of Assessed Valuation	Weighted Average Tax Rate
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value		
2016	\$5,504,066	\$15,725,903	\$365,366	\$415,188	\$0	\$0	\$5,869,432	\$16,141,901	2.8000	2.7636
2015	\$5,394,376	\$15,412,502	\$344,819	\$391,841	0	0	\$5,739,195	\$15,804,343	2.8000	2.80000
2014	5,372,965	15,351,329	301,273	342,356	0	0	5,674,238	15,693,685	2.8000	2.80000
2013	5,391,010	15,402,887	335,746	381,529	0	0	5,726,756	15,784,416	2.8000	2.80000
2012	5,978,514	17,081,468	339,983	386,344	0	0	6,318,497	17,467,812	2.3000	2.17590
2011	6,032,522	17,235,777	380,705	432,619	0	0	6,413,227	17,668,396	2.3000	2.16429
2010	5,971,597	17,061,705	361,650	410,966	5,280	52,800	6,338,527	17,525,471	2.3000	2.15792
2009	6,442,180	18,406,230	342,160	388,818	10,559	105,590	6,794,899	18,900,638	2.3000	2.00370
2008	6,347,852	18,136,720	333,127	378,554	195,820	1,566,563	6,876,800	20,081,837	2.3000	2.01802
2007	6,250,907	17,859,734	370,225	370,225	271,966	1,087,864	6,893,098	19,317,823	2.3000	2.02426

(1) Estimated Actual Value is calculated by dividing the Assessed Value by the assessment percentage. The percentages for 2016 are 35% for all Real Property and 88% for Public Utility Property.
 Source: Lake County Auditor's Office

Lake Metroparks
Property Tax Rates - All Direct and Overlapping Governments
(Per \$1,000 Of Assessed Value)
Last Ten Years

Table 8

	2007	2008	2009	2010	2011
COUNTY UNITS					
General Fund	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10
Dev. Disabilities Board	4.9	4.9	4.9	4.9	4.9
ADAMHS Board	1.6	1.6	1.6	1.6	1.6
Narcotics	0.3	0.3	0.3	0.3	0.3
Child Welfare	0.7	0.7	0.7	0.7	0.7
Regional Forensic Lab	0.3	0.3	0.3	0.3	0.3
Senior Citizens	<u>0.3</u>	<u>0.4</u>	<u>0.4</u>	<u>0.4</u>	<u>0.4</u>
TOTAL RATES	10.2	10.3	10.3	10.3	10.3
SCHOOL DISTRICTS					
Fairport Harbor (a)	84.48	84.49	84.66	85.43	85.42
Kirtland Local (a)	73.19	73.34	73.42	73.88	73.7
Madison Local (a)	55.49	55.46	55.46	55.74	55.57
Mentor Exempt	76.68	76.7	76.89	77.64	77.61
Painesville City (a)	84.84	85.01	85.14	86.12	86.12
Riverside (a)	55.33	55.25	55.28	55.68	55.67
Perry Local (a)	45.7	45.7	45.7	45.7	45.7
Wickliffe Local	67.31	67.31	67.31	67.31	67.31
Willoughby-Eastlake	48.52	48.64	48.75	52.81	52.55
CORPORATIONS					
Eastlake	8.3	8.3	8.3	8.3	8.3
Kirtland	11.05	11.05	11.05	11.05	11.05
Mentor	4.5	4.5	4.5	4.5	4.5
Mentor-on-the-Lake	24	24	24	24	24
Painesville	3.7	3.7	3.7	3.7	3.7
Wickliffe	7.96	7.96	7.97	8.02	8.01
Willoughby	8.56	8.54	8.54	8.58	8.58
Willoughby Hills	7.3	7.3	7.3	7.3	7.3
Willowick	16.5	19.5	19.5	19.5	19.5

2012	2013	2014	2015	2016
\$2.10	\$1.00	\$1.00	1	1
4.9	4.9	4.9	4.9	4.9
1.6	1.6	1.6	1.6	1.6
0.3	0.3	0.3	0.3	0.3
0.7	0.7	0.7	0.7	0.7
0.3	0.3	0.3	0.3	0.3
<u>0.4</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
10.3	9.3	9.3	9.3	9.3
90.33	90.9	90.95	90.81	90.92
73.56	80.19	79.94	79.7	78.82
55.59	60.13	59.6	59.4	57.62
76.96	77.8	77.49	78.92	78.66
59.8	92.22	92.98	93.16	93.04
55.79	56.25	56.24	56.21	55.28
45.7	45.7	45.7	45.7	45.7
75.21	75.2	75.21	76.71	83.11
53.02	60.52	61.24	63.21	64.27
8.3	8.3	8.3	8.3	8.3
11.05	11.05	11.05	13.05	13.05
4.5	4.5	4.5	4.5	4.5
24	24	24	27.8	27.8
3.7	3.7	8.17	8.17	8.17
8.02	8.09	8.11	8.11	8.11
8.53	8.53	8.51	8.49	8.49
7.3	7.3	7.3	7.3	7.3
19.5	19.5	19.5	19.5	19.5

(Continued)

Lake Metroparks
Property Tax Rates - All Direct and Overlapping Governments
(Per \$1,000 Of Assessed Value)
Last Ten Years

	2007	2008	2009	2010	2011
VILLAGES					
Fairport Harbor	\$9.56	\$9.56	\$9.56	\$9.56	\$9.56
Grand River	7.5	7.5	7.5	7.5	7.5
Kirtland Hills	20	18	18	18	18
Lakeline	6	6	6	6	6
Madison (b)	9.43	9.43	9.43	9.43	9.43
North Perry (c)	11.5	11.5	11.5	12	12
Perry (c)	14.5	14.5	14.5	15	12
Timberlake	21.2	21.2	21.2	21.2	21.2
Waite Hill	13	16	16	16	16
TOWNSHIPS					
Concord	9.4	9.4	9.4	9.4	10.4
Leroy	11.9	11.9	11.9	11.9	11.9
Madison (b)	21.63	21.63	21.63	21.63	21.63
Painesville	12.65	12.65	12.65	12.65	13.45
Perry (c)	11.5	11.5	11.5	12	12
LIBRARIES					
Fairport	1.84	1.84	1.84	1.84	1.84
Kirtland	0	0	0	0	0
Madison	1	1	1	1	1
Mentor	0.625	0.625	1.1	1.1	1.1
Morley	1.66	1.66	1.66	1.74	1.73
Perry	1	1	1	1	1
Wickliffe	1.2	2.9	2.9	2.9	2.9
Willoughby-Eastlake	1.3	1.3	1.3	2.3	2.3
PORT AUTHORITY					
Fairport Harbor	0	0	0	0	0

2012	2013	2014	2015	2016
\$10.06	\$10.06	\$10.06	\$10.06	\$10.06
8	8	8	8	8
18	18	18	18	18
6	8	8	8	8
9.43	9.43	9.43	13.23	13.23
12	12	12	11	11
12	12	12	11	11
21.2	21.2	21.2	21.2	21.2
16	16	22.2	22.2	22.2
10.4	10.4	10.4	10.4	11.4
11.9	11.9	11.9	12.8	12.8
21.63	21.43	21.43	21.43	21.43
13.45	13.45	16.35	17.67	17.67
12	12	12	11	11
1.84	1.84	1.84	1.84	1.84
1	1	1	1	1
2.25	2.25	2.25	2.25	2.25
1.1	2	2	2	2
1.74	1.82	1.8	1.8	1.78
1	1	1	1	1.75
2.9	2.9	2.9	2.9	2.9
2.3	2.3	2.3	2.3	2.3
0	0	0	0	0

(Continued)

Lake Metroparks
 Property Tax Rates - All Direct and Overlapping Governments
 (Per \$1,000 Of Assessed Value)
 Last Ten Years

	2007	2008	2009	2010	2011
OTHER POLITICAL SUBDIVISIONS					
Lake Metroparks	\$2.30	\$2.30	\$2.30	\$2.30	\$2.30
Lakeland Community College	3.2	3.2	3.2	3.2	3.2
Auburn Joint Vocational School	1.5	1.5	1.5	1.5	1.5
Lake County School Financing District	4.9	4.9	4.9	4.9	4.9
Madison Fire District	6.48	6.48	6.48	6.48	6.48
Perry Fire District	6.9	6.9	6.9	7.4	7.4

- a. Includes millage for Auburn Joint Vocational School
- b. Includes millage for Madison Fire District
- c. Includes millage for Perry Library District and Perry Fire District

Source: Lake County Auditor's Office

2012	2013	2014	2015	2016
------	------	------	------	------

\$2.30	\$2.80	\$2.80	\$2.80	\$2.80
3.2	3.2	3.2	3.2	3.6
1.5	1.5	1.5	1.5	1.5
4.9	4.9	4.9	4.9	4.9
6.48	6.48	6.48	6.48	6.48
7	7.4	7.4	7.4	7.4

Lake Metroparks
Principal Taxpayers
Current Year and Nine Years Ago

Table 9

Name of Taxpayer	Nature of Business	Assessed Value	Percent of Total Assessed Value
Principal Taxpayers Real Estate Tax		January 1, 2016	
First Energy Nuclear	Electric company	\$67,345,610	1.2304%
Mall at Great Lakes LLC	Developer of Great Lakes Mall	25,106,670	0.4587%
First Energy Generation Corp.	Electric company	23,450,000	0.4284%
Lubrizon Corporation	Mfg. for chemical additives for fuels and lubricants	16,431,540	0.3002%
Tam A Rac Estate	Residential developer	12,848,810	0.2348%
Lake Hospital System, Inc.	Hospital system	10,499,390	0.1918%
First Interstate	Developer of Willoughby Commons and Creekside	9,732,650	0.1778%
Pine Ridge G & H LLC	Apartments	7,000,900	0.1279%
Winchester Apts. LTD	Apartments	6,790,010	0.1241%
DFG-Mentor Erie Commons LLC	Retail Shopping	6,422,520	0.1173%
Steris Corporation	Provider of infection, contamination prevention systems and products	5,800,890	0.1060%
	Totals	<u>\$191,428,990</u>	<u>3.4975%</u>
	Total Assessed Valuation	<u><u>\$5,473,255,190</u></u>	
Principal Taxpayers Real Estate Tax		January 1, 2007	
Simon property group LP	Developer of Great Lakes Mall	\$ 25,180,450	0.3653%
Lubrizon Corporation	Chemical Additives for fuels and lubricants	18,133,300	0.2631%
First Interstate	Developer of Willoughby and Creekside Commons Shopping Centers	15,538,330	0.2254%
Inland Southeast	Retail developer	12,758,090	0.1851%
Avery Dennison Corporation	Pressure-sensitive adhesive, papers, foils and films	11,914,670	0.1728%
Steris Corporation	Provider of infection, contamination prevention systems and products	10,703,340	0.1553%
Wal Mart Real Estate	Retail Developer	9,421,480	0.1367%
Points East Enterprises	Developer of Points East Shopping Center	7,223,610	0.1048%
Osborne, Jerome T.	Contractor and developer	6,675,880	0.0968%
Cleveland Clinic	Medical care provider	6,499,860	0.0943%
	Totals	<u>\$124,049,010</u>	<u>1.7996%</u>
	Total Assessed Valuation	<u><u>\$6,893,097,697</u></u>	

Total Assessed Valuation Real property taxes paid in 2016 are based on January 1, 2016

Total Assessed Valuation Real property taxes paid in 2007 are based on January 1, 2006

(continued)

Lake Metroparks
Principal Taxpayers
Current Year and Nine Years Ago

Name of Taxpayer	Nature of Business	Assessed Value	Percent of Total Assessed Value
Tangible Public Utility Property Taxpayers		January 1, 2016	
First Energy Nuclear	Electric utility	\$123,152,160	2.2501%
Cleveland Electric Illuminatinc Co.	Electric utility	109,744,560	2.0051%
American Transmission	Electric utility	65,171,240	1.1907%
Aqua Ohio, Inc.	Water utility	31,238,860	0.5708%
East Ohio Gas	Natural gas utility	12,545,070	0.2292%
First Energy Generation	Electric utility	9,256,140	0.1691%
Ohio Edison	Electric utility	7,864,750	0.1437%
Orwell Natural Gas	Natural gas utility	2,406,530	0.0440%
Orwell Trumbullo Pipeline Co.	Natural Gas utility	2,139,780	0.0391%
VFI Spe 1 llc		1,198,620	0.0219%
Totals		<u>\$364,717,710</u>	<u>6.6636%</u>
Total Assessed Valuation		<u><u>\$5,473,255,190</u></u>	
Tangible Public Utility Property Taxpayers		January 1, 2007	
First Energy Nuclear	Electric utility	\$138,971,020	2.0161%
First Energy Generation Corp.	Electric utility	108,349,050	1.5718%
Cleveland Electric Illuminatinc Co.	Electric utility	74,998,250	1.0880%
American Transmission	Electric utility	21,141,340	0.3067%
Ameritech	Telephone utility	20,181,320	0.2928%
Aqua Ohio, Inc.	Water utility	19,236,700	0.2791%
Pennsylvania Power	Electric utility	12,312,390	0.1786%
Ohio Edison	Electric utility	7,940,640	0.1152%
East Ohio Gas	Natural Gas utility	6,764,530	0.0981%
Western Reserve Telephone	Telephone utility	3,864,040	0.0561%
Totals		<u>\$413,759,280</u>	<u>6.0025%</u>
Total Assessed Valuation		<u><u>\$6,328,540,447</u></u>	

Public utility tangible personal property tax paid in 2016 is based on values listed on December 31, 2015

Public utility tangible personal property tax paid in 2007 is based on values listed on December 31, 2006

Source: Lake County Auditor's Office

Lake Metroparks
 Property Tax Levies and Collection
 Real, Public Utility and Tangible Personal Property (1)
 Last Ten Years

Table 10

Tax Year	Fiscal Year	Current Tax Levy	Current Tax Collection	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Collections as a Percent of Levy
2015-2016	2016	\$16,223,561	\$15,752,162	97.1%	\$564,954	\$16,317,116	100.58%*
2014-2015	2015	16,094,944	15,554,859	96.6%	600,907	16,155,766	100.38%*
2013-2014	2014	15,933,486	15,402,832	96.7%	378,551	15,781,383	99.05%*
2012-2013	2013	16,024,888	15,549,743	97.0%	475,876	16,025,619	100.00% *
2011-2012	2012	13,696,683	13,281,826	97.0%	401,559	13,683,385	99.90% *
2010-2011	2011	13,268,143	12,632,233	95.2%	373,765	13,005,998	98.02% *
2009-2010	2010	13,704,113	12,915,199	94.2%	460,060	13,375,259	97.60% *
2008-2009	2009	13,660,146	13,183,172	96.5%	468,130	13,651,302	99.94% *
2007-2008	2008	13,775,956	13,338,956	96.8%	572,968	13,911,924	100.99% *
2006-2007	2007	14,040,822	13,620,573	97.0%	502,936	14,123,509	100.58% *

(1) Do not equal amounts in financial statements due to State reimbursements.

* Delinquent collections are not segregated by tax year.

Source: Lake County Auditor's Office

Lake Metroparks
Ratios of Outstanding Debt
Last Ten Years

Table 11

Year	Population	Assessed Value	Gross Bonded Debt	Less Balance in Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita	Net Bonded Debt as a Percentage of Personal Income
2016	228,614	\$5,869,432,440	\$0	\$0	\$0	0%	\$0	0%
2015	230,510	5,739,195,400	0	0	0	0%	0	0%
2014	229,857	5,674,239,290	0	0	0	0%	0	0%
2013	229,857	5,726,757,170	625,000	535	624,465	.01%	2.72	.01%
2012	230,351	6,318,496,590	1,250,000	28,792	1,221,028	.02%	5.30	.02%
2011	230,619	6,413,227,720	2,075,000	38,158	2,036,842	.03%	8.83	.04%
2010	236,775	6,388,526,292	2,900,000	173	2,899,827	.05%	12.25	.06%
2009	233,392	6,794,899,728	3,725,000	171	3,724,829	.05%	15.96	.08%
2008	234,030	6,876,799,810	4,550,000	168	4,549,832	.07%	19.44	.10%
2007	233,392	6,893,097,697	5,375,000	166	5,374,834	.08%	23.03	0%

Sources: U.S. Census Bureau
Lake County Auditor's Office
Prior to 2008, Net Bonded Debt as a Percentage of Personal Income information is not available.

Lake County, Ohio
 Computation of Direct and Overlapping Debt
 December 31, 2016

Table 12

	Net General Obligation Bonded Debt Outstanding (1)	Percent Applicable (2)	Lake Metroparks Share
<u>DIRECT DEBT</u>			
Lake Metroparks	\$0	100.00%	<u>\$0</u>
Total Direct Debt			<u>\$0</u>
<u>OVERLAPPING DEBT</u>			
County of Lake	\$10,380,000	100.00%	\$10,380,000
All Cities wholly within Lake County	57,796,173	100.00%	57,796,173
All Villages wholly within Lake County	3,483,431	100.00%	3,483,431
All Townships wholly within Lake County	2,337,089	100.00%	2,337,089
All School Districts wholly within Lake County	217,130,553	100.00%	217,130,553
All Library Districts wholly within Lake County	3,135,000	100.00%	3,135,000
Kirtland Local School District	12,339,992	99.26%	12,249,005
Madison Local School District	21,870,337	96.13%	21,023,202
Mentor Exempted Village School District	0	99.71%	0
Riverside Local School District	826,783	99.56%	823,171
Auburn Vocational School District	4,245,000	51.92%	<u>2,203,997</u>
Total Overlapping Debt			<u>330,561,620</u>
Total Net Direct and Overlapping Debt			<u>\$330,561,620</u>

- (1) Per confirmation with respective entities. Amount excludes general obligation debt reported in enterprise funds.
 (2) Determined, on a percentage basis, by dividing the amount of assessed valuation of the political subdivision's territory that is within the boundaries of the County by the total assessed valuation of the political subdivision.

Source: Lake County Auditor's Office, Most current information available.

Lake Metroparks
 Legal Debt Margin Information
 Last Ten Years

Table 13

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Debt Limit	\$58,694,320	\$57,391,954	\$56,742,393	\$57,267,572	\$63,184,966	\$64,132,277	\$63,385,623	\$67,948,997	\$68,767,998	\$68,930,977
Total Debt Applicable to Limit	0	0	0	625,000	1,250,000	2,075,000	2,900,000	3,725,000	4,550,000	5,375,000
Legal Debt Margin	<u>\$58,694,320</u>	<u>\$57,391,954</u>	<u>\$56,742,393</u>	<u>\$56,642,572</u>	<u>\$61,934,966</u>	<u>\$62,057,277</u>	<u>\$60,485,623</u>	<u>\$64,223,997</u>	<u>\$64,217,998</u>	<u>\$63,555,977</u>
Total Net Debt Applicable to Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	1.09%	1.98%	3.24%	4.58%	5.48%	6.62%	7.80%

Legal Debt Margin Calculation Decemer 31, 2016:

Assessed value of taxable property	\$5,869,432,000
Debt Limit (1% of total assessed value)	\$58,694,320
Bonded Debt	\$0

POPULATION	LAKE COUNTY	OHIO
Population, 2016 estimate	228,614	11,614,373
Population, 2015 estimate	229,245	11,613,423
Population, percent change, April 1, 2010 to July 1, 2016	(0.6%)	0.7%
Population, percent change, April 1, 2010 to July 1, 2015	(0.3%)	0.7%
Population, 2010	230,041	11,536,504
Persons under 5 years, percent, 2015	5.0%	6.0%
Persons under 18 years, percent, 2015	20.7%	22.6%
Persons 65 years and over, percent, 2015	18.5%	15.9%
Female persons, percent, 2015	51.1%	51.0%

White alone, percent, 2015 (a)	92.8%	82.7%
Black or African American alone, percent, 2015 (a)	4.0%	12.7%
American Indian and Alaska Native alone, percent, 2015 (a)	0.2%	0.3%
Asian alone, percent, 2015 (a)	1.4%	2.1%
Native Hawaiian and Other Pacific Islander alone, percent, 2015 (a)	--	0.1%
Two or more races, percent, 2015	1.6%	2.1%
Hispanic or Latino, percent, 2015 (b)	4.1%	3.6%
White alone, not Hispanic or Latino, percent, 2015	89.2%	79.8%

Living in same house 1 year and over, 2011-2015	89.8%	85.3%
Foreign born persons, percent, 2011-2015	5.7%	4.1%
Language other than English spoken at home, pct age 5+, 2011-2015	7.5%	6.7%
High school graduates, percent of persons age 25+, 2011-2015	91.7%	89.1%
Bachelor's degree or higher, pct of persons age 25+, 2011-2015	26.3%	26.1%
Veterans, 2011-2015	16,728	806,531
Mean travel time to work (minutes), workers age 16+, 2011-2015	23.3	23.2
Housing units, 2015	102,068	5,156,307
Homeownership rate, 2011-2015	73.9%	66.3%
Housing units in multi-unit structures, percent, 2010-2014	19.7%	23.4%
Median value of owner-occupied housing units, 2011-2015	\$147,900	\$129,900

Households, 2011-2015	94,815	4,585,084
Persons per household, 2011-2015	2.39	2.46
Per capita money income in past 12 months 2011 - 2015	\$30,094	\$26,953
Median household income 2011-2015	\$56,029	\$49,429
Persons below poverty level, percent, 2011-2015	8.3%	14.8%

(a) Includes persons reporting only one race

(b) Hispanics may be of any race, so also are included in applicable race categories

Source: U.S. Census Bureau

Lake Metroparks
 Demographic and Economic Statistics (continued)
 December 31, 2016

UNEMPLOYMENT RATES
 (LAST TEN YEARS)

Year	Lake County	State of Ohio	United States
2016	4.7%	4.7%	4.9%
2015	3.7%	4.6%	5.0%
2014	5.7%	4.8%	5.6%
2013	6.4%	7.2%	6.7%
2012	6.3%	6.7%	7.9%
2011	6.6%	8.1%	8.5%
2010	7.6%	9.6%	9.4%
2009	7.9%	10.9%	10.0%
2008	6.6%	7.6%	7.1%
2007	5.6%	5.8%	4.8%

Source: Ohio Department of Job and Family Services

POPULATION

<u>Year</u>	<u>County Population</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
1940	50,202		
1950	75,979	25,777	51.3%
1960	148,700	72,721	95.7%
1970	197,200	48,500	32.6%
1980	212,801	15,601	7.9%
1990	215,499	2,698	1.3%
2000	227,511	12,012	5.6%
2010	230,041	2,530	1.1%

Lake County, Ohio
Principal Employers
Current Year and Nine Years Ago
December 31, 2016

Table 15

<u>2016 Employer (1)</u>	<u>Nature of Business</u>	<u>Number Employed</u>	<u>Percentage of Total Employment</u>
Lake Hospital System, Inc.	Health care	2,200	2.31%
Lake County Government (4)	County government	1,880	1.98%
Lubrizol Corporation	Chemical additives	1,300	1.37%
Steris Corporation	Infection and contamination preventive systems	1,043	1.10%
Willoughby-Eastlake City Schools	School District	961	1.01%
Mentor Exempted Village Schools	School District	953	1.00%
Wal-Mart Stores, Inc	Retail	741	0.78%
ABB Automation, Inc.	Computer systems for power plants	675	0.71%
Lincoln Electric	Welders, welding equipment	540	0.57%
Avery Dennison Corporation	Pressure-sensitive products	<u>300</u>	<u>0.32%</u>
Totals		<u>10,593</u>	<u>11.15%</u>
Total employment within the County (3)		95,069	

<u>2007 Employer (2)</u>	<u>Nature of Business</u>	<u>Number Employed</u>	<u>Percentage of Total Employment</u>
Lake County Government (4)	County government	2,135	1.73%
Lake Hospital System, Inc.	Health care	1,441	1.16%
First Energy Corporation	Electric utility	1,325	1.07%
Lubrizol Corporation	Chemical additives	1,299	1.05%
Avery International	Pressure-sensitive products	1,273	1.03%
Mentor Exempted Village Schools	School District	1,041	0.84%
Willoughby-Eastlake City Schools	School District	858	0.69%
Steris Corporation	Infection and contamination prevention systems	828	0.67%
ABB Inc.	Computer systems for power plants	541	0.44%
Giant Eagle, Inc.	Grocery store chain	<u>454</u>	<u>0.37%</u>
Totals		<u>11,195</u>	<u>9.05%</u>
Total employment within the County (3)		123,700	

- (1) From the respective businesses
- (2) From 2007 Lake Metroparks CAFR
- (3) Ohio Labor Market Information
- (4) Includes Lake County Board of DD

Lake Metroparks
 Total Park Employees by Function
 Last Ten Years

Table 16

<u>Function/Program</u>	<u>Total Number of Employees Paid as of December 31</u>									
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Governmental	460	530	450	438	399	396	397	402	416	406
Business-type	70	69	68	58	61	57	55	60	63	66
Total	<u>530</u>	<u>599</u>	<u>518</u>	<u>496</u>	<u>460</u>	<u>453</u>	<u>452</u>	<u>462</u>	<u>479</u>	<u>472</u>

Lake Metroparks
Operating Indicators - Parks and Recreation
Last Ten Years

Table 17

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Park Visits	3,462,465	3,085,476	2,895,612	2,563,142	2,610,279	2,429,384	2,448,395	2,478,600	2,280,000	2,240,000
Rounds of Golf	55,212	54,000	52,684	52,268	65,189	53,898	64,430	66,676	65,452	58,500
Registered Programs	1,288	1,447	2,081	2,200	2,025	1,469	1,651	2,352	1,271	1,737
Program Participants	17,211	24,139	37,510	35,471	37,243	28,027	29,986	39,589	22,502	23,041
Special Events (including events held at the Farmpark)	38	35	36	45	43	43	41	44	41	44
Environmental Learning Center	30,572	26,139	12,042	5,817	3,363	11,331	19,885	19,022	5,330	--
Beach Attendance***	346,220	203,180	267,012	263,028	214,430	222,605	165,741	224,973	208,429	--
Special Events Participants (attendance totals calculated in the Farmpark totals also)	142,369	133,513	147,844	76,108	137,708	126,725	162,050	166,188	127,958	171,003
Farmpark Visits*	207,661	182,916	181,845	174,993	172,866	168,811	187,330	181,771	188,170	188,712
Penitentiary Glen Visits**	51,591	67,837	51,572	48,812	48,565	48,858	51,455	42,066	--	--

* Final Farmpark attendance figure includes special events held at facility; America the Beautiful, Vintage Ohio, Halloween Hayrides, Country Lights, corporate outings, and other special events (Ability Fair, Fiberfest, Fall Harvest Festival, Discovery Days, Quilt Show, Earth Day, Working Dog Weekend, Horsefest, Railroads in the Parks, Maple Sugaring Weekend, Corn and Pumpkin Weekend and Senior Day) and evening classes.

** Penitentiary Glen Nature Center (only) visitation was not tracked until 2009.

***PerchFest event has not been held at the beach since 2012.

Source: Lake Metroparks Registration Division, Lake Metroparks Ranger Division

Lake Metroparks
 Capital Asset Statistics by Function - Parks and Recreation
 Last Ten Years

Table 18

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<u>Leisure Services</u>										
Number of Park Properties	46	45	45	45	44	43	43	42	42	41
Area of Properties (acres)	9,070	8,890	8,700	8,643	8,199	8,078	8,051	7,837	7,675	7,631
Programmed Buildings (sq.ft.)	121,431	121,431	129,244	125,156	125,156	125,156	125,156	125,156	125,156	113,231



Lake Metroparks 2016 Comprehensive
Annual Financial Report

LAKEMETROPARKS.COM



Dave Yost • Auditor of State

LAKE METROPARKS

LAKE 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
JUNE 20, 2017