



Dave Yost • Auditor of State

**FIVE RIVERS METROPARKS
MONTGOMERY COUNTY
DECEMBER 31, 2017 AND 2016**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Five Rivers MetroParks
Montgomery County
409 East Monument Avenue
Dayton, Ohio 45402

To the Board of Park Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of Five Rivers MetroParks, Montgomery County, Ohio (the MetroParks) as of and for the years ended December 31, 2017 and 2016.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the MetroParks prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

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Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the MetroParks does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the MetroParks as of December 31, 2017 and 2016, and the respective changes in financial position thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of Five Rivers MetroParks, Montgomery County as of December 31, 2017 and 2016, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2018, on our consideration of the MetroParks' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the MetroParks' internal control over financial reporting and compliance.



Dave Yost
Auditor of State
Columbus, Ohio

December 5, 2018

Five Rivers MetroParks
Montgomery County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2017

| | General | Special Revenue | Capital Projects | Totals (Memorandum Only) |
|---|--------------------|--------------------|---------------------|--------------------------------|
| Cash Receipts | | | | |
| Levy Funds | \$14,227,628 | | | \$14,227,628 |
| Intergovernmental | 2,592,089 | 447,989 | | 3,040,078 |
| Charges for Services | 887,559 | | | 887,559 |
| Investment Earnings | 111,976 | 1,947 | | 113,923 |
| Gifts, Donations and Sponsorships | 122,467 | 126,880 | 18,300 | 267,647 |
| Miscellaneous | 396,519 | 72,360 | | 468,879 |
| <i>Total Cash Receipts</i> | <u>18,338,238</u> | <u>649,176</u> | <u>18,300</u> | <u>19,005,714</u> |
| Cash Disbursements | | | | |
| Current: | | | | |
| Salaries and Benefits | 13,000,186 | 14,043 | | 13,014,229 |
| Supplies and Operating Expenses | 2,687,734 | 23,982 | | 2,711,716 |
| Contracts and Operating Services | 2,349,696 | 50,000 | | 2,399,696 |
| Intergovernmental | 159,945 | | | 159,945 |
| Capital Outlay | 696,932 | 1,374,750 | 2,037,371 | 4,109,053 |
| <i>Total Cash Disbursements</i> | <u>18,894,493</u> | <u>1,462,775</u> | <u>2,037,371</u> | <u>22,394,639</u> |
| <i>Excess of Receipts Over (Under) Disbursements</i> | <u>(556,255)</u> | <u>(813,599)</u> | <u>(2,019,071)</u> | <u>(3,388,925)</u> |
| Other Financing Receipts (Disbursements) | | | | |
| Transfers In | | 61,978 | 1,026,075 | 1,088,053 |
| Transfers Out | (1,088,053) | | | (1,088,053) |
| Other Financing Sources | 53,422 | | | 53,422 |
| <i>Total Other Financing Receipts (Disbursements)</i> | <u>(1,034,631)</u> | <u>61,978</u> | <u>1,026,075</u> | <u>53,422</u> |
| <i>Net Change in Fund Cash Balances</i> | <u>(1,590,886)</u> | <u>(751,621)</u> | <u>(992,996)</u> | <u>(3,335,503)</u> |
| <i>Fund Cash Balances, January 1</i> | <u>10,179,777</u> | <u>965,751</u> | <u>1,641,575</u> | <u>12,787,103</u> |
| Fund Cash Balances, December 31 | | | | |
| Restricted | | 214,130 | | 214,130 |
| Committed | | | 648,579 | 648,579 |
| Assigned | 4,698,394 | | | 4,698,394 |
| Unassigned | 3,890,497 | | | 3,890,497 |
| <i>Fund Cash Balances, December 31</i> | <u>\$8,588,891</u> | <u>\$214,130</u> | <u>\$648,579</u> | <u>\$9,451,600</u> |

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

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Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the year Ended December 31, 2017

Note 1 – Reporting Entity

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

The James M. Cox, Jr. Arboretum Foundation (the Cox Arboretum Foundation) is also associated with MetroParks. The Cox Arboretum Foundation is a not for profit organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Service Code. The primary objective of the Foundation is to provide a “living museum” for the Dayton community where people of all ages can come to learn about and engage with nature. The Foundation supports the management and operation of Cox Arboretum MetroPark. Further information regarding this organization can be obtained by writing James M. Cox, Jr. Arboretum Foundation, 6733 Springboro Pike, Dayton, Ohio 45449 or by phone at (937) 434-9005. The Cox Arboretum Foundation is considered a component unit of MetroParks because the economic resources received or held by the Cox Arboretum Foundation are entirely for the direct benefit of Cox Arboretum MetroPark. MetroParks, is entitled to, or has the ability to otherwise access a majority of the economic resources received or held by the Cox Arboretum Foundation. The economic resources received or held by the Cox Arboretum Foundation that MetroParks, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The Five Rivers MetroParks Foundation (the FRMP Foundation) is associated with MetroParks. The FRMP Foundation is a not for profit organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Service Code. The primary purpose of the FRMP Foundation is to provide Five Rivers MetroParks with a 501(c)(3) entity for securing philanthropic funding for special projects, programming and endowment. The FRMP Foundation provides a way for donors to support MetroParks with charitable contributions that will support all MetroParks or one specific park. Donations also can be directed to support educational and recreational services, as well as conservation initiatives. Further information can be obtained by contacting the Five Rivers MetroParks Foundation, 409 E. Monument Avenue, 3rd Floor, Dayton, Ohio 45402 or by phone at (937)277-4369. The FRMP Foundation is considered a component unit of MetroParks because the economic resources received or held by the FRMP Foundation are entirely for the direct benefit of MetroParks. MetroParks, is entitled to, or has the ability to otherwise access a majority of the economic resources received or held by the FRMP Foundation. The economic resources received or held by the FRMP Foundation that MetroParks, is entitled to, or has the ability to otherwise access, are significant to that primary government.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)

Note 1 – Reporting Entity (Continued)

Metro Parks participates in a public entity risk pool. Note 5 to the financial statements provides additional information for this entity.

MetroParks' management believes these financial statements present all activities for which MetroParks is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

MetroParks' financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which are organized on a fund type basis.

Fund Accounting

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

General Fund - The General Fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to MetroParks for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds - These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. MetroParks had the following significant Special Revenue Funds:

State and Local Grants Fund – This fund receives proceeds from state agencies and donations. These proceeds are mainly used to support projects of the MetroParks.

RiverScape Replacement Reserve Fund – This fund receives proceeds from various local governments. These proceeds are used to reimburse MetroParks for large expenses at RiverScape MetroPark.

Capital Project Funds - These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. MetroParks had the following capital project fund:

Five Rivers MetroParks Capital (Construction) Fund – This fund receives proceeds primarily from gifts, donations and sponsorships and General Fund transfers. The proceeds are being used to fund various park capital projects.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. MetroParks recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations - Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund or object level of control, and appropriations may not exceed estimated resources. MetroParks' Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

Estimated Resources - Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances - The Ohio Revised Code requires MetroParks to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated.

A summary of 2017 budgetary activity appears in Note 3.

Deposit and Investments

As the Ohio Revised Code permits, the Montgomery County Treasurer holds MetroParks' deposits as MetroParks' custodian. The County holds MetroParks' assets in its investment pool, valued at the Treasurer's reported carrying amount.

Capital Assets

MetroParks records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which MetroParks must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable - MetroParks classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

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

Committed - Commissioners can *commit* amounts via formal action (resolution). MetroParks must adhere to these commitments unless the Commissioners amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned - Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by MetroParks' Commissioners or a MetroParks official delegated that authority by resolution, or by State Statute.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

MetroParks 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.

**Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)**

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2017 follows:

| 2017 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|-------------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$17,811,218 | \$18,391,660 | \$580,442 |
| Special Revenue | 93,788 | 711,154 | 617,366 |
| Capital Projects | 1,218,401 | 1,044,375 | (174,026) |
| Total | \$19,123,407 | \$20,147,189 | \$1,023,782 |

| 2017 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|-------------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$23,285,710 | \$19,982,883 | \$3,302,827 |
| Special Revenue | 1,829,214 | 1,462,775 | 366,439 |
| Capital Projects | 2,675,905 | 2,037,371 | 638,534 |
| Total | \$27,790,829 | \$23,483,029 | \$4,307,800 |

Note 4 – Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due February 16. The second half payment is due the following July 20.

Public utilities are also taxed on personal and real property located within MetroParks.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of MetroParks.

Note 5 – Risk Management

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

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

**Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)**

Note 5 - Risk Management (Continued)

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

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2017, PEP retained \$350,000 for casualty claims and \$100,000 for property claims.

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

Financial Position

PEP's financial statements (audited by other auditor's) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2017:

| | |
|--------------|----------------------------|
| | <u>2017</u> |
| Assets | <u>\$44,452,326</u> |
| Liabilities | <u>(\$13,004,011)</u> |
| Net Position | <u><u>\$31,448,315</u></u> |

At December 31, 2017, the liabilities above include approximately \$11.8 million of estimated incurred claims payable. The assets above also include approximately \$11.2 million of unpaid claims to be billed. The Pool's membership increased 527 members in 2017. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2017, the Park District's share of these unpaid claims collectible in futures years is approximately \$132,000.

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

| |
|----------------------------------|
| <u>2017 Contributions to PEP</u> |
| \$210,314 |

**Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)**

Note 5 - Risk Management (Continued)

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

Note 6 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

MetroParks' employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2017, OPERS members in classifications other than law enforcement contributed 10% of their gross salaries. Members in law enforcement classifications, which consist generally of park rangers, contributed 13% of their gross salaries in 2017. MetroParks contributed an amount equaling 14% of participants' gross salaries for members other than law enforcement. MetroParks contributed an amount equal to 18.1% of participants' gross salaries for members of law enforcement. MetroParks has paid all contributions required through December 31, 2017.

| <i>Retirement Rates</i> | <i>Year</i> | <i>Member Rate</i> | <i>Employer Rate</i> |
|-------------------------------|-------------|--------------------|----------------------|
| <i>PERS – Local</i> | <i>2017</i> | <i>10%</i> | <i>14%</i> |
| <i>PERS – Law Enforcement</i> | <i>2017</i> | <i>13%</i> | <i>18.1%</i> |

Note 7 – Postemployment Benefits

OPERS offer cost sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to Health Reimbursement Arrangement and Medicare Part B Premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1 percent during calendar year 2017.

Note 8 – Contingent Liabilities

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

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)

Note 9 – Fund Balance

Fund balance is classified as non-spendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which MetroParks is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the General Fund, Special Revenue Funds and Capital Projects Fund for the year ended December 31, 2017, are presented as follows:

| Year Ended December 31, 2017 | General Fund | Special Revenue Funds | Capital Projects Fund | Total Governmental Funds |
|-------------------------------------|-------------------------|----------------------------------|----------------------------------|---|
| <i>Fund Balance</i> | | | | |
| Restricted | | | | |
| State & Local Grants Fund | | \$22,454 | | \$22,454 |
| Federal Equitable Sharing | | 4,487 | | 4,487 |
| State Forfeitures | | 30,787 | | 30,787 |
| Law Enforcement Training | | 8,260 | | 8,260 |
| Law Enforcement Fund | | 20,692 | | 20,692 |
| RiverScape Replacement Fund | | 915 | | 915 |
| Wetland Mitigation Bank Fund | | 82,765 | | 82,765 |
| River Run Debris Removal Fund | | 43,770 | | 43,770 |
| Total Restricted | | 214,130 | | 214,130 |
| Committed | | | | |
| Construction Fund | | | 648,579 | 648,579 |
| Total Committed | | | 648,579 | 648,579 |
| Assigned | | | | |
| Outstanding Encumbrances | 337 | | | 337 |
| Subsequent Year Appropriations | 4,698,057 | | | 4,698,057 |
| Total Assigned | 4,698,394 | | | 4,698,394 |
| Unassigned | 3,890,497 | | | 3,890,497 |
| Total Fund Balances | \$8,588,891 | \$214,130 | \$648,579 | \$9,451,600 |

**Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2017
(Continued)**

Note 10 – Interfund Activity

The following is a summary of the interfund activity for the year ended December 31, 2017.

| | <u>Transfers In</u> | <u>Transfers Out</u> |
|-----------------------|---------------------|----------------------|
| General Fund | | 1,088,053 |
| Special Revenue Funds | 61,978 | |
| Capital Projects Fund | 1,026,075 | |
| Total | 1,088,053 | 1,088,053 |

Transfers were made from the General fund to the Capital Projects Fund and the Federal, State and Local Grant Fund to stabilize these funds.

Note 11 – Subsequent Events

Since 1963, and in accordance with ORC 1545.22, the Montgomery County Auditor and County Treasurer have provided financial services to MetroParks. In September 2016, the Board of Park Commissioners approved a proposal for MetroParks to become its own fiscal agent. Beginning in August 2017, the Board approved a series of resolutions including naming a depository, appointing a treasurer, authorizing a check signer, adopting an investment policy and updating its bylaws. As a result of these resolutions, MetroParks became its own fiscal agent on January 1, 2018.

On November 6, 2018, voters approved a 1.8 mill replacement general operating levy with an additional 0.2 mills. The total operating levy will be 2.0 mills for 10 years, commencing in 2018.

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Five Rivers MetroParks
Montgomery County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2016

| | General | Special Revenue | Capital Projects | Totals (Memorandum Only) |
|---|---------------------|--------------------|---------------------|--------------------------------|
| Cash Receipts | | | | |
| Levy Funds | \$14,176,637 | | | \$14,176,637 |
| Intergovernmental | 2,493,262 | 1,209,362 | \$143,329 | 3,845,953 |
| Charges for Services | 830,255 | | | 830,255 |
| Investment Earnings | 130,332 | 1,613 | | 131,945 |
| Gifts, Donations and Sponsorships | 98,424 | 57,215 | 1,060,901 | 1,216,540 |
| Miscellaneous | 428,067 | 28,564 | | 456,631 |
| <i>Total Cash Receipts</i> | <u>18,156,977</u> | <u>1,296,754</u> | <u>1,204,230</u> | <u>20,657,961</u> |
| Cash Disbursements | | | | |
| Current: | | | | |
| Salaries and Benefits | 12,638,897 | 23,461 | | 12,662,358 |
| Supplies and Operating Expenses | 2,703,405 | 9,875 | | 2,713,280 |
| Contracts and Operating Services | 2,476,961 | 54,253 | | 2,531,214 |
| Intergovernmental | 253,562 | 0 | | 253,562 |
| Capital Outlay | 849,447 | 2,562,724 | 1,412,096 | 4,824,267 |
| <i>Total Cash Disbursements</i> | <u>18,922,272</u> | <u>2,650,313</u> | <u>1,412,096</u> | <u>22,984,681</u> |
| <i>Excess of Receipts Over (Under) Disbursements</i> | <u>(765,295)</u> | <u>(1,353,559)</u> | <u>(207,866)</u> | <u>(2,326,720)</u> |
| Other Financing Receipts (Disbursements) | | | | |
| Transfers In | | 113,538 | 696,467 | 810,005 |
| Transfers Out | (810,005) | | | (810,005) |
| Advances In | 129,297 | | | 129,297 |
| Advances Out | | (129,297) | | (129,297) |
| Other Financing Sources | 54,384 | 850 | | 55,234 |
| <i>Total Other Financing Receipts (Disbursements)</i> | <u>(626,324)</u> | <u>(14,909)</u> | <u>696,467</u> | <u>55,234</u> |
| <i>Net Change in Fund Cash Balances</i> | <u>(1,391,619)</u> | <u>(1,368,468)</u> | <u>488,601</u> | <u>(2,271,486)</u> |
| <i>Fund Cash Balances, January 1</i> | <u>11,571,396</u> | <u>2,334,219</u> | <u>1,152,974</u> | <u>15,058,589</u> |
| Fund Cash Balances, December 31 | | | | |
| Restricted | | 965,751 | | 965,751 |
| Committed | | | 1,641,575 | 1,641,575 |
| Assigned | 5,381,492 | | | 5,381,492 |
| Unassigned | 4,798,285 | | | 4,798,285 |
| <i>Fund Cash Balances, December 31</i> | <u>\$10,179,777</u> | <u>\$965,751</u> | <u>\$1,641,575</u> | <u>\$12,787,103</u> |

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Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the year Ended December 31, 2016

Note 1 – Reporting Entity

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

The James M. Cox, Jr. Arboretum Foundation (the Cox Arboretum Foundation) is also associated with MetroParks. The Cox Arboretum Foundation is a not for profit organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Service Code. The primary objective of the Foundation is to provide a “living museum” for the Dayton community where people of all ages can come to learn about and engage with nature. The Foundation supports the management and operation of Cox Arboretum MetroPark. Further information regarding this organization can be obtained by writing James M. Cox, Jr. Arboretum Foundation, 6733 Springboro Pike, Dayton, Ohio 45449 or by phone at (937) 434-9005. The Cox Arboretum Foundation is considered a component unit of MetroParks because the economic resources received or held by the Cox Arboretum Foundation are entirely for the direct benefit of Cox Arboretum MetroPark. MetroParks, is entitled to, or has the ability to otherwise access a majority of the economic resources received or held by the Cox Arboretum Foundation. The economic resources received or held by the Cox Arboretum Foundation that MetroParks, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The Five Rivers MetroParks Foundation (the FRMP Foundation) is associated with MetroParks. The FRMP Foundation is a not for profit organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Service Code. The primary purpose of the FRMP Foundation is to provide Five Rivers MetroParks with a 501(c)(3) entity for securing philanthropic funding for special projects, programming and endowment. The FRMP Foundation provides a way for donors to support MetroParks with charitable contributions that will support all MetroParks or one specific park. Donations also can be directed to support educational and recreational services, as well as conservation initiatives. Further information can be obtained by contacting the Five Rivers MetroParks Foundation, 409 E. Monument Avenue, 3rd Floor, Dayton, Ohio 45402 or by phone at (937)277-4369. The FRMP Foundation is considered a component unit of MetroParks because the economic resources received or held by the FRMP Foundation are entirely for the direct benefit of MetroParks. MetroParks, is entitled to, or has the ability to otherwise access a majority of the economic resources received or held by the FRMP Foundation. The economic resources received or held by the FRMP Foundation that MetroParks, is entitled to, or has the ability to otherwise access, are significant to that primary government.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Continued)

Note 1 – Reporting Entity (Continued)

Metro Parks participates in a public entity risk pool. Note 5 to the financial statements provides additional information for this entity.

MetroParks' management believes these financial statements present all activities for which MetroParks is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

MetroParks' financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types which are organized on a fund type basis.

Fund Accounting

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

General Fund - The General Fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to MetroParks for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds - These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. MetroParks had the following significant Special Revenue Funds:

State and Local Grants Fund – This fund receives proceeds from state agencies and donations. These proceeds are mainly used to support projects of the MetroParks.

RiverScape Replacement Reserve Fund – This fund receives proceeds from various local governments. These proceeds are used to reimburse MetroParks for large expenses at RiverScape MetroPark.

Capital Projects Funds - These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. MetroParks had the following capital projects fund:

Five Rivers MetroParks Capital (Construction) Fund – This fund receives proceeds primarily from gifts, donations and sponsorships and General Fund transfers. The proceeds are being used to fund various park capital projects.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. MetroParks recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations - Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund or object level of control, and appropriations may not exceed estimated resources. MetroParks' Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

Estimated Resources - Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances - The Ohio Revised Code requires MetroParks to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated.

A summary of 2016 budgetary activity appears in Note 3.

Deposit and Investments

As the Ohio Revised Code permits, the Montgomery County Treasurer holds MetroParks' deposits as MetroParks' custodian. The County holds MetroParks' assets in its investment pool, valued at the Treasurer's reported carrying amount.

Capital Assets

MetroParks records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Continued)

Note 2 – Summary of Significant Accounting Policies (Continued)

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which MetroParks must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable - MetroParks classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

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

Committed - Commissioners can *commit* amounts via formal action (resolution). MetroParks must adhere to these commitments unless the Commissioners amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned - Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by MetroParks' Commissioners or a MetroParks official delegated that authority by resolution, or by State Statute.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

MetroParks 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.

**Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Continued)**

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2016 follows:

| 2016 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|---------------------|--------------------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$17,746,710 | \$18,340,658 | \$593,948 |
| Special Revenue | 2,318,781 | 1,411,142 | (907,639) |
| Capital Projects | 1,759,419 | 1,900,697 | 141,278 |
| Total | <u>\$21,824,910</u> | <u>\$21,652,497</u> | <u>(\$172,413)</u> |

| 2016 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|--------------------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$22,616,866 | \$20,518,694 | \$2,098,172 |
| Special Revenue | 4,530,628 | 3,435,858 | 1,094,770 |
| Capital Projects | 3,010,140 | 1,838,254 | 1,171,886 |
| Total | <u>\$30,157,634</u> | <u>\$25,792,806</u> | <u>\$4,364,828</u> |

Note 4 - Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due February 19. The second half payment is due the following July 15.

Public utilities are also taxed on personal and real property located within MetroParks.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of MetroParks.

Note 5 - Risk Management

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

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

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Continued)

Note 5 - Risk Management (Continued)

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

Casualty and Property Coverage

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

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

Financial Position

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

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

At December 31, 2016, the liabilities above include approximately \$12.0 million of estimated incurred claims payable. The assets above also include approximately \$11.5 million of unpaid claims to be billed. The Pool's membership increased 520 members in 2016. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2016, the MetroParks' share of these unpaid claims collectible in futures years is approximately \$128,000.

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

| |
|---------------------------|
| 2016 Contributions to PEP |
| \$203,767 |

**Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Continued)**

Note 5 - Risk Management (Continued)

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

Note 6 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

MetroParks' employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2016, OPERS members in classifications other than law enforcement contributed 10% of their gross salaries. Members in law enforcement classifications, which consist generally of park rangers, contributed 13% of their gross salaries in 2016. MetroParks contributed an amount equaling 14% of participants' gross salaries for members other than law enforcement. MetroParks contributed an amount equal to 18.1% of participants' gross salaries for members of law enforcement. MetroParks has paid all contributions required through December 31, 2016.

| <i>Retirement Rates</i> | <i>Year</i> | <i>Member Rate</i> | <i>Employer Rate</i> |
|-------------------------------|-------------|--------------------|----------------------|
| <i>PERS – Local</i> | <i>2016</i> | <i>10%</i> | <i>14%</i> |
| <i>PERS – Law Enforcement</i> | <i>2016</i> | <i>13%</i> | <i>18.1%</i> |

Note 7 – Postemployment Benefits

OPERS offer cost sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to Health Reimbursement Arrangement and Medicare Part B Premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2 percent during calendar year 2016.

Note 8 - Contingent Liabilities

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

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Continued)

Note 9 - Fund Balance

Fund balance is classified as non-spendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which MetroParks is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the General Fund, Special Revenue Funds and Capital Projects Funds for the year ended December 31, 2016, are presented as follows:

| Year Ended December 31, 2016 | General Fund | Special Revenue Funds | Capital Projects Fund | Total Governmental Funds |
|-------------------------------------|-------------------------|----------------------------------|----------------------------------|---|
| <i>Fund Balance</i> | | | | |
| Restricted | | | | |
| State & Local Grants Fund | | \$769,835 | | \$769,835 |
| Federal Equitable Sharing | | 6,342 | | 6,342 |
| State Forfeitures | | 36,455 | | 36,455 |
| Law Enforcement Training | | 10,040 | | 10,040 |
| Law Enforcement Fund | | 25,980 | | 25,980 |
| RiverScape Replacement Fund | | 808 | | 808 |
| Wetland Mitigation Bank Fund | | 81,944 | | 81,944 |
| River Run Debris Removal Fund | | 34,347 | | 34,347 |
| Total Restricted | | 965,751 | | 965,751 |
| Committed | | | | |
| Construction Fund | | | 1,641,575 | 1,641,575 |
| Total Committed | | | 1,641,575 | 1,641,575 |
| Assigned | | | | |
| Outstanding Encumbrances | 786,417 | | | 786,417 |
| Subsequent Year Appropriations | 4,595,075 | | | 4,595,075 |
| Total Assigned | 5,381,492 | | | 5,381,492 |
| Unassigned | 4,798,285 | | | 4,798,285 |
| Total Fund Balances | \$10,179,777 | \$965,751 | \$1,641,575 | \$12,787,103 |

**Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2016
(Continued)**

Note 10 - Interfund Activity

The following is a summary of the interfund activity for the year ended December 31, 2016.

| | <u>Transfers In</u> | <u>Transfers Out</u> | <u>Advance In</u> | <u>Advance Out</u> |
|-----------------------|---------------------|----------------------|-------------------|--------------------|
| General Fund | | 810,005 | 129,297 | |
| Special Revenue Funds | 113,538 | | | 129,297 |
| Capital Projects Fund | 696,467 | | | |
| Total | <u>810,005</u> | <u>810,005</u> | <u>129,297</u> | <u>129,297</u> |

Transfers were made from the General fund to the Capital Projects Fund and the Federal, State and Local Grant Fund to stabilize these funds.

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Dave Yost • Auditor of State

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

Five Rivers MetroParks
Montgomery County
409 East Monument Avenue
Dayton, Ohio 45402

To the Board of Park Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts, and disbursements by fund type of the Five Rivers MetroParks, Montgomery County, (the MetroParks) as of and for the years ended December 31, 2017 and 2016, and the related notes to the financial statements and have issued our report thereon dated December 5, 2018 wherein we noted the MetroParks followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

December 5, 2018



Dave Yost • Auditor of State

FIVE RIVERS METROPARKS

MONTGOMERY 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
DECEMBER 27, 2018**