



Mary Taylor, CPA
Auditor of State

**METROPARKS OF BUTLER COUNTY
BUTLER COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Cover Letter	1
Independent Accountants' Report.....	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2007	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2006	6
Notes to the Financial Statements	7
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	15

This page intentionally left blank.



Mary Taylor, CPA
Auditor of State

Metroparks of Butler County
Butler County
2051 Timberman Road
Hamilton, Ohio 45013

To the Board of Park Commissioners:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

Mary Taylor

Mary Taylor, CPA
Auditor of State

August 26, 2008

This page intentionally left blank.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Metroparks of Butler County
Butler County
2051 Timberman Road
Hamilton, Ohio 45013

To the Board of Park Commissioners:

We have audited the accompanying financial statements of the Metroparks of Butler County, Butler County, Ohio (the District), as of and for the years ended December 31, 2007 and 2006. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As described more fully in Note 1, the District has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the District's larger (i.e. major) funds separately. While the Parks does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Governments to reformat their statements. The District has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2007 and 2006 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Parks as of December 31, 2007 and 2006, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Metroparks of Butler County, Butler County, as of December 31, 2007 and 2006, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The District has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2008, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



Mary Taylor, CPA
Auditor of State

August 26, 2008

**METROPARKS OF BUTLER COUNTY
BUTLER COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>General</u>	<u>Capital Projects</u>	<u>Permanent</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts:				
Real Estate Conveyance Fees	\$662,175			\$662,175
Charges for Services	95,792			95,792
Licenses, Permits and Fees	256,052			256,052
Intergovernmental	599,756	850,877		1,450,633
Earnings on Investments	64,898		5,089	69,987
Miscellaneous	42,601			42,601
Total Cash Receipts	<u>1,721,274</u>	<u>850,877</u>	<u>5,089</u>	<u>2,577,240</u>
Cash Disbursements:				
Current Disbursements:				
Conservation/Recreation:				
Salaries - Employees	538,193			538,193
Supplies	5,581			5,581
Materials	123,303			123,303
Equipment	635,278			635,278
Maintenance and Repair	8,457			8,457
Contracts - Services	142,243			142,243
Rentals	8,916			8,916
Travel	2,075			2,075
Public Employees Retirement	70,761			70,761
Workers' Compensation	8,788			8,788
Health Insurance	76,646			76,646
Capital Outlay	583,076	850,877		1,433,953
Debt Service:				
Redemption of Principal	843,821			843,821
Interest and Other Fiscal Charges	280,063			280,063
Total Cash Disbursements	<u>3,327,201</u>	<u>850,877</u>	<u>0</u>	<u>4,178,078</u>
Total Receipts Over/(Under) Disbursements	<u>(1,605,927)</u>	<u>0</u>	<u>5,089</u>	<u>(1,600,838)</u>
Fund Cash Balances, January 1	<u>1,753,845</u>	<u>0</u>	<u>148,529</u>	<u>1,902,374</u>
Fund Cash Balances, December 31	<u>\$147,918</u>	<u>\$0</u>	<u>\$153,618</u>	<u>\$301,536</u>
Reserve for Encumbrances, December 31	<u>\$37,055</u>	<u>\$0</u>	<u>\$0</u>	<u>\$37,055</u>

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

**METROPARKS OF BUTLER COUNTY
BUTLER COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2006**

	General	Permanent	Totals (Memorandum Only)
Cash Receipts:			
Real Estate Conveyance Fees	\$644,162		\$644,162
Charges for Services	19,236		19,236
Licenses, Permits and Fees	146,157		146,157
Intergovernmental	509,097		509,097
Earnings on Investments	105,170	3,649	108,819
Miscellaneous	55,611		55,611
 Total Cash Receipts	 1,479,433	 3,649	 1,483,082
Cash Disbursements:			
Current Disbursements:			
Conservation/Recreation:			
Salaries - Employees	410,718		410,718
Supplies	5,646		5,646
Materials	94,357		94,357
Equipment	607,950		607,950
Maintenance and Repair	7,363		7,363
Contracts - Services	173,800		173,800
Rentals	7,827		7,827
Travel	458		458
Public Employees Retirement	54,921		54,921
Workers' Compensation	3,574		3,574
Capital Outlay	186,914		186,914
Debt Service:			
Redemption of Principal	35,431		35,431
Interest and Other Fiscal Charges	261,008		261,008
 Total Cash Disbursements	 1,849,967	 0	 1,849,967
Total Receipts Over/(Under) Disbursements	(370,534)	3,649	(366,885)
Fund Cash Balances, January 1	2,124,379	144,880	2,269,259
Fund Cash Balances, December 31	\$1,753,845	\$148,529	\$1,902,374
Reserve for Encumbrances, December 31	\$69,203	\$0	\$69,203

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

**METROPARKS OF BUTLER COUNTY
BUTLER COUNTY**

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

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Metroparks of Butler County, Butler County, Ohio (the District), as a body corporate and politic. The probate judge of Butler County appoints a three-member Board of Commissioners to govern the District. 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 District's management believes these financial statements present all activities for which the District is financially accountable.

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The District 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 Auditor of State prescribes or permits.

C. Cash and Investments

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

D. Fund Accounting

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District classifies its funds into the following types:

1. General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund.

2. Capital Project Funds

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The District had the following significant capital project fund:

**METROPARKS OF BUTLER COUNTY
BUTLER COUNTY**

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

1. Summary of Significant Accounting Policies (Continued)

OPWC Davidson Woods Acquisition

This fund accounted for an Ohio Public Works Commission receipt and disbursement for land acquisition.

3. Permanent Funds

These funds account for assets held under a trust agreement that are legally restricted to the extent that only earnings, not principal, are available to support the District's programs unless certain exceptions apply. The District had the following significant permanent fund:

Park District Trust Fund

This fund accounted for a trust agreement stipulating that the principal sum be invested and the interest be used for routine acquisition and maintenance of public parks, except that in the event that the interest be less than \$3,000 per year, all or any portion of the principal may be used for said purposes.

E. Budgetary Process

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

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. 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 also approve estimated resources.

3. Encumbrances

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

A summary of 2007 and 2006 budgetary activity appears in Note 3.

F. Property, Plant, and Equipment

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

**METROPARKS OF BUTLER COUNTY
BUTLER COUNTY**

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

1. Summary of Significant Accounting Policies (Continued)

G. 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.

2. Budgetary Activity

Budgetary activity for the years ending December 31, 2007 and 2006 follows:

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,718,202	\$1,721,274	\$3,072
Capital Projects	850,877	850,877	0
Permanent	5,012	5,089	77
Total	\$2,574,091	\$2,577,240	\$3,149

2007 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$3,402,044	\$3,364,256	\$37,788
Capital Projects	850,877	850,877	0
Permanent	0	0	0
Total	\$4,252,921	\$4,215,133	\$37,788

2006 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,478,300	\$1,479,433	\$1,133
Permanent	3,500	3,649	149
Total	\$1,481,800	\$1,483,082	\$1,282

2006 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$2,211,786	\$1,919,170	\$292,616
Permanent	0	0	0
Total	\$2,211,786	\$1,919,170	\$292,616

**METROPARKS OF BUTLER COUNTY
BUTLER COUNTY**

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

3. Real Estate Conveyance Fees

In 2003, the Butler County Board of Commissioners raised the County's property conveyance fee and approved an allocation to Metroparks from the revenue generated from the increased fee. The allocation, which amounts to \$0.40 of the total \$3.00 per \$1,000 valuation on transferred real estate, is restricted for capital improvements work and land acquisition in the park system.

4. Debt

Debt outstanding at December 31, 2007 was as follows:

	Principal	Interest Rate
Stander Trust General Obligation Notes	\$556,840	0%
Hueston Farm General Obligation Notes	\$807,763	5%
Total	\$1,364,603	

The District entered into an agreement with Thomas Stander, Trustee of the Carl Stander Irrevocable Trust on January 31, 2003 for the purchase of land to be used for future development. The District agreed to pay the Carl Stander Irrevocable Trust \$713,564 at zero percent interest in consecutive annual installments of \$37,556 beginning in 2004 until retirement in 2022. The District did not receive any cash for the notes; rather, they were part of the land purchase agreement.

The District entered into an agreement with Hueston Farms, Inc. in 2007 to purchase land to be used for future development for \$2,844,537. The District paid \$1,267,934 in 2007, and agreed to pay \$1,576,603 at five percent interest over four bi-annual payments beginning in 2007 and ending in 2008. The District did not receive any cash for the notes; rather, they were part of the land purchase agreement.

Amortization of the above debt is scheduled as follows:

2008	\$875,735
2009	37,556
2010	37,556
2011	37,556
2012	37,556
2013-2017	187,780
2018-2022	181,280
Total	\$1,395,019

In September 2006, the Butler County Commissioners issued a \$17,500,000 Various Purpose General Obligation bond. Included in the issuance was \$4,585,000 for construction of the Metroparks lodge and lake facility. The bonds were the full general obligation of Butler County and are backed by the full faith and credit of the County. The District has agreed to repay their portion of the debt service on the bonds from the money it receives from the real estate conveyance fees (see Note 3). The principal balance at December 31, 2007 was \$4,550,000.

**METROPARKS OF BUTLER COUNTY
BUTLER COUNTY**

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

5. Retirement Systems

Retirement Rates	Year	Member Rate	Employer Rate
PERS – Local	2006	8.5%	13.55%
PERS – Local	2007	9%	13.7%

The District's 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 2007 and 2006, OPERS members contributed 9% and 8.5%, respectively, of their gross salaries and the District contributed an amount equaling 13.7% and 13.55%, respectively, of participants' gross salaries. The District has paid all contributions required through December 31, 2007.

6. Risk Management

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

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

The District 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. PEP is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

For an occurrence prior to January 1, 2006 PEP retains casualty risks up to \$250,000 per occurrence, including claim adjustment expenses. PEP pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$10,000,000 in the aggregate per year.

For an occurrence on or subsequent to January 1, 2006, the Pool retains casualty risk up to \$350,000 per occurrence. Claims exceeding \$350,000 are reinsured with APEEP in an amount not to exceed \$2,650,000 for each claim and \$10,000,000 in the aggregate per year. Governments can elect up to \$10,000,000 in additional coverage with the General Reinsurance Corporation, through contracts with PEP.

If losses exhaust PEP's retained earnings, APEEP provides *excess of funds available* coverage up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000 (prior to January 1, 2006) or \$3,000,000 (on or subsequent to January 1, 2006) as noted above.

**METROPARKS OF BUTLER COUNTY
BUTLER COUNTY**

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

6. Risk Management (Continued)

Property Coverage

Beginning in 2005, APEEP established a risk-sharing property program. Under the program, Travelers reinsures specific losses exceeding \$250,000 up to \$600 million per occurrence. This amount was increased to \$300,000 in 2007. For 2007, APEEP reinsures members for specific losses exceeding \$100,000 up to \$300,000 per occurrence, subject to an annual aggregate loss payment. For 2006, APEEP reinsures members for specific losses exceeding \$100,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined members' total insurable values. If the stop loss is reached by payment of losses between \$100,000 and \$250,000 in 2006, or \$100,000 and \$300,000 in 2007, Travelers will then reinsure specific losses exceeding \$100,000 up to their \$600 million per occurrence limit. The aggregate stop-loss limit for 2007 was \$2,014,548.

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

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Assets	\$37,560,071	\$36,123,194
Liabilities	<u>(17,340,825)</u>	<u>(16,738,904)</u>
Net Assets	<u>\$20,219,246</u>	<u>\$19,384,290</u>

At December 31, 2007 and 2006, respectively, the liabilities above include approximately \$15.9 million and \$15.0 million of estimated incurred claims payable. The assets and retained earnings above also include approximately \$15.0 million and \$14.4 million of unpaid claims to be billed to approximately 443 member governments in the future, as of December 31, 2007 and 2006, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The District's share of these unpaid claims collectible in future years is approximately \$39,352. This payable includes the subsequent year's contribution due if the District terminates participation, as described in the last paragraph below.

Based on discussions 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.

**METROPARKS OF BUTLER COUNTY
BUTLER COUNTY**

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

6. Risk Management (Continued)

<u>Contributions to PEP</u>	
2005	\$41,747
2006	\$47,454
2007	\$34,219

After completing one year of membership, members may withdraw on each anniversary of the date they joined PEP provided they provide written notice to PEP 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's budgetary contribution. Withdrawing members have no other future obligation to the pool. 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.

7. Subsequent Events

The District is scheduled to make its final debt payment to Hueston Farms, Inc. on December 1, 2008, for \$419,089. However, the District is in the process of seeking to refinance the balance owed through PNC Bank in conjunction with Butler County. The new debt would require an additional pledge against the real estate conveyance fees (see Note 3).

This page intentionally left blank.



Mary Taylor, CPA

Auditor of State

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

Metroparks of Butler County
Butler County
2051 Timberman Road
Hamilton, Ohio 45013

To the Board of Park Commissioners:

We have audited the financial statements of the Metroparks of Butler County, Butler County, Ohio (the District), as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated August 26, 2008, wherein we noted the District followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

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

Corporate Centre of Blue Ash / 11117 Kenwood Rd. / Blue Ash, OH 45242
Telephone: (513) 361-8550 (800) 368-7419 Fax: (513) 361-8577
www.auditor.state.oh.us

We noted certain matters that we reported to the District's management in a separate letter dated August 26, 2008.

Compliance and Other Matters

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

We did note certain noncompliance or other matters that we reported to the District's management in a separate letter dated August 26, 2008.

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

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

Mary Taylor, CPA
Auditor of State

August 26, 2008



Mary Taylor, CPA
Auditor of State

METROPARKS OF BUTLER COUNTY

BUTLER 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
OCTOBER 7, 2008**