



OHIO AUDITOR OF STATE  
**KEITH FABER**





**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY  
DECEMBER 31, 2023**

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

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

To the Board of Park Commissioners:

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the MetroParks of Butler County, Butler County, Ohio (the District), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of December 31, 2023, and the respective changes in cash-basis financial position thereof and the budgetary comparison for the General fund for the year then ended in accordance with the cash-basis of accounting described in Note 2.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Emphasis of Matter - Accounting Basis*

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. Management is also responsible for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Other Information***

We applied no procedures to management's discussion & analysis as listed in the table of contents. Accordingly, we express no opinion or any other assurance on it.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2024, 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. The purpose of that report is solely 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 the effectiveness of the District's 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 District's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio  
October 30, 2024

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**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

The discussion and analysis of the MetroParks of Butler County (the "District") financial performance provides an overall review of the District's financial activities for the year ended December 31, 2023, within the limitations of the District's cash basis of accounting. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for the year 2023 are as follows:

- Net position increased \$4,407,182 which represents a 99.39% increase from 2022.
- General receipts accounted for \$9,848,456, or 68.11% of all receipts. Program specific receipts, in the form of charges for services and sales and capital grants and contributions, accounted for \$4,611,090 or 31.89% of total receipts of \$14,459,546.
- The District had \$10,052,364 in disbursements related to governmental activities; program-specific charges for services and grants and contributions offset only \$4,611,090 of these disbursements. General receipts supporting governmental activities totaling \$9,848,456 including local taxes, unrestricted grants and entitlements and miscellaneous receipts, were adequate to provide for these programs.
- The District's receipts increased \$4,235,008 or 41.42% from the prior year. Additionally, the disbursements decreased \$1,204,040 or 10.70% from the prior year.

**Using the Basic Financial Statements**

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

**Report Components**

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

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

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

**Basis of Accounting**

The basis of accounting is a set of guidelines that determine when financial events are recorded. As permitted in the Ohio Revised Code, the District has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). Under the District's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

As a result of the use of this cash basis of accounting, certain assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and the effects of these items on revenues and expenses, are not recorded in these financial statements.

**Reporting the Board as a Whole**

The statement of net position - cash basis and the statement of activities - cash basis reflect how the District performed financially during 2023, within the limitations of the cash basis of accounting. The statement of net position - cash basis presents the cash balances of the governmental activities of the District at year-end. The statement of activities - cash basis compares disbursements with program receipts for each governmental activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of disbursements with program receipts identifies how each governmental function draws from the District's general receipts.

These statements report the District's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, these changes are one way to measure the District's financial health. Over time, increases or decreases in the District's cash position is an indicator of whether the District's financial health is improving or deteriorating. When evaluating the District's financial condition, considerations include other non-financial factors as well, such as the District's tax base, the condition of the District's capital assets and infrastructure, the extent of the District's debt obligations, the reliance on non-local financial resources for operations, and the need for continued growth.

The statement of net position - cash basis and the statement of activities - cash basis present governmental activities, which include all the District's services. The District has no business-type activities.

**Reporting the Board's Most Significant Funds**

**Fund Financial Statements**

Fund financial statements provide detailed information about the District's major funds - not the District as a whole. The District establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. All of the operating funds of the District are governmental.

**Governmental Funds** - Most of the District's activities are reported in governmental funds. The governmental fund financial statements provide a detailed short-term view of the District's governmental operations and the health services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the District's programs. The District's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The District's major governmental funds are the general fund and the American Rescue Plan Act Great Miami Trail fund. The programs reported in the governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

**The District as a Whole**

Table 1 provides a summary of the District's net position for 2023 and 2022.

	<b>Governmental Activities</b>	
	<b>2023</b>	<b>2022</b>
<b><u>Assets:</u></b>		
Cash with Fiscal Agent	\$ 8,841,206	\$ 4,434,024
Total assets	\$ 8,841,206	\$ 4,434,024
<b><u>Net position:</u></b>		
Restricted	\$ 2,955,209	\$ 86,836
Unrestricted	5,885,997	4,347,188
Total net position	\$ 8,841,206	\$ 4,434,024

The District's cash balance and net position at December 31, 2023 amounted to \$8,841,206. Of this amount, \$2,955,209 is restricted as to use.

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**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

Table 2 reflects the change in net position in 2023 and 2022.

**Table 2  
Changes in Net Position - Cash Basis**

	<b>Governmental Activities</b>		<b>Change</b>
	<b>2023</b>	<b>2022</b>	
<b>Receipts:</b>			
Program cash receipts:			
Charges for services and sales	\$ 1,097,652	\$ 791,195	\$ 306,457
Capital Grants and Contributions	3,513,438	966,205	2,547,233
Total program cash receipts	<u>4,611,090</u>	<u>1,757,400</u>	<u>2,853,690</u>
General receipts:			
Local taxes	6,910,868	5,198,476	1,712,392
Grants, entitlements and donations not restricted by specific program	440,671	785,302	(344,631)
Donations	1,858,484	716,967	1,141,517
Interest	282,947	74,968	207,979
Miscellaneous	355,486	318,325	37,161
Sale of assets	-	1,373,100	(1,373,100)
Total general receipts	<u>9,848,456</u>	<u>8,467,138</u>	<u>1,381,318</u>
Total receipts	<u>14,459,546</u>	<u>10,224,538</u>	<u>4,235,008</u>
<b>Disbursements:</b>			
Salaries and benefits	4,192,031	3,945,235	246,796
Materials and supplies	725,985	672,823	53,162
Contracted service	1,467,274	1,570,388	(103,114)
Other	116,825	115,741	1,084
Capital outlay	3,285,824	3,043,566	242,258
Debt Service:			
Principal retirement	226,870	1,839,000	(1,612,130)
Interest and fiscal charges	37,555	69,651	(32,096)
Total disbursements	<u>10,052,364</u>	<u>11,256,404</u>	<u>(1,204,040)</u>
Change in net position	4,407,182	(1,031,866)	5,439,048
Net position at beginning of year	<u>4,434,024</u>	<u>5,465,890</u>	<u>(1,031,866)</u>
Net position at end of year	<u>\$ 8,841,206</u>	<u>\$ 4,434,024</u>	<u>\$ 4,407,182</u>

**Governmental Activities**

If you look at the statement of activities - cash basis, you will see that the first column lists the major disbursement functions of the District. The next column identifies the disbursement amounts associated with each function. The next three columns of the statement entitled program receipts identify amounts paid by people who are directly charged for the service and grants received by the District that must be used to provide a specific purpose. The net cost column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by taxpayers and state subsidies. These net costs are paid from the general receipts which are presented at the bottom of the statement.

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

**Table 3  
Governmental Activities**

	<u>Total Cost of Services 2023</u>	<u>Net Cost of Services 2023</u>	<u>Total Cost of Services 2022</u>	<u>Net Cost of Services 2022</u>
Disbursements:				
Salaries and benefits	\$ 4,192,031	\$ 3,693,360	\$ 3,945,235	\$ 3,572,843
Materials and supplies	725,985	639,624	672,823	609,315
Contracted service	1,467,274	1,292,731	1,570,388	1,422,159
Other	116,825	102,928	115,741	104,816
Capital outlay	3,285,824	(551,552)	3,043,566	1,881,844
Debt Service:				
Principal retirement	226,870	226,870	1,839,000	1,839,000
Interest and fiscal charges	37,555	37,313	69,651	69,027
Totals	<u>\$ 10,052,364</u>	<u>\$ 5,441,274</u>	<u>\$ 11,256,404</u>	<u>\$ 9,499,004</u>

**The District's Funds**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related requirements. The focus of the District's governmental funds is to provide information on receipts, disbursements, and balances of expendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the year.

At the end of 2023, the District had a total ending fund balance of \$8,841,206.

The general fund and the American Rescue Plan Act Great Miami Trail fund are the major funds of the District. At the end of 2023, unassigned fund balance in the general fund was \$4,856,452. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to general fund disbursements. Unassigned fund balance represents 52.63% of the total general fund disbursements.

Receipts exceeded disbursements in the general fund by \$1,718,809, excluding other financing sources and uses in 2023. Local taxes account for 63.14% of receipts in the general fund. Salaries and benefits account for 45.43% of disbursements in the general fund. The general fund balance increased \$1,538,809 from \$4,347,188 to an ending balance of \$5,885,997.

The American Rescue Plan Act Great Miami Trail fund received \$2,500,000 in Federal funding but had no disbursements during the year.

**General Fund Budgeting Highlights**

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

During the course of 2023, the District amended its general fund budget. For the general fund, original budgeted receipts and other financing sources totaled \$9,859,616 and final budgeted receipts and other financing sources were \$9,859,616. Actual receipts and other financing sources for 2023 were \$10,946,108; this represents a \$1,086,492 increase from final budgeted receipts.

General fund final budgeted disbursements and other financing uses were \$11,803,963 which were equal to original budgeted disbursements of \$11,803,963. Actual budget-basis disbursements and other financing uses for 2023 totaled \$10,436,844 and were \$1,367,119 less than the final budget. Variances between actual disbursements and budgeted disbursements were due to the timing of capital projects.

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

**Capital Assets**

The District does not record capital assets in the accompanying basic financial statements, but records payments for capital assets as disbursements.

**Long Term Obligations**

The District had the following long-term obligations outstanding at year-end:

	<u>Balance at 12.31.23</u>	<u>Balance at 12.31.22</u>
PNC Special Revenue Refunding Bonds - 2022	<u>1,146,231</u>	<u>1,373,100</u>
Totals	<u>\$ 1,146,231</u>	<u>\$ 1,373,100</u>

See Note 4 to the basic financial statements for additional information on the District's long-term obligations.

**Current Financial Related Activities**

The District is responsible for acquiring, developing, protecting and maintaining park lands and facilities. The District's mission is to provide a superior park system that maximizes the community's quality of life through conservation, education, and recreation. The District continues to seek grant funding and maximize local tax dollars to achieve its mission.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and providers with a general overview of the Board's finances and to reflect the District's accountability for the money it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Jackie O'Connell, Executive Director, 2051 Timberman Road, Hamilton, Ohio 45013.

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

STATEMENT OF NET POSITION - CASH BASIS  
DECEMBER 31, 2023

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash with fiscal agent. . . . .	\$ 8,841,206
Total assets . . . . .	\$ 8,841,206
 <b>Net position</b>	
Restricted for:	
Debt Service . . . . .	\$ 2,181
Capital projects . . . . .	2,953,028
Unrestricted. . . . .	5,885,997
Total net position . . . . .	\$ 8,841,206

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2023

		<b>Program Cash Receipts</b>		<b>Net (Disbursements) Receipts and Changes in Net Position</b>
	<b>Cash Disbursements</b>	<b>Charges for Services and Sales</b>	<b>Capital Grants and Contributions</b>	<b>Governmental Activities</b>
<b>Governmental activities:</b>				
Salaries and benefits. . . . .	\$ 4,192,031	\$ 498,671	\$ -	\$ (3,693,360)
Materials and supplies. . . . .	725,985	86,361	-	(639,624)
Contracted services. . . . .	1,467,274	174,543	-	(1,292,731)
Other. . . . .	116,825	13,897	-	(102,928)
Capital outlay. . . . .	3,285,824	324,180	3,513,196	551,552
<b>Debt Service:</b>				
Principal retirement. . . . .	226,870	-	-	(226,870)
Interest and fiscal charges. . . . .	37,555	-	242	(37,313)
<b>Total governmental activities . . . . .</b>	<b>\$ 10,052,364</b>	<b>\$ 1,097,652</b>	<b>\$ 3,513,438</b>	<b>(5,441,274)</b>
<b>General receipts:</b>				
Local taxes . . . . .				6,910,868
Grants, entitlements and donations not restricted to specific programs. . . . .				440,671
Donations. . . . .				1,858,484
Interest. . . . .				282,947
Miscellaneous . . . . .				355,486
<b>Total general receipts. . . . .</b>				<b>9,848,456</b>
 Change in net position . . . . .				 4,407,182
 <b>Net position at beginning of year . . . . .</b>				 4,434,024
 <b>Net position at end of year . . . . .</b>				 <b>\$ 8,841,206</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023

	<b>General</b>	<b>American Rescue Plan Act Great Miami Trail</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>				
Cash with fiscal agent. . . . .	\$ 5,885,997	\$ 2,500,000	\$ 455,209	\$ 8,841,206
Total Assets	<u>\$5,885,997</u>	<u>\$ 2,500,000</u>	<u>\$ 455,209</u>	<u>\$8,841,206</u>
<b>Fund balances</b>				
Restricted. . . . .	\$ -	\$ 2,500,000	\$ 455,209	\$ 2,955,209
Assigned. . . . .	1,029,545	-	-	1,029,545
Unassigned. . . . .	4,856,452	-	-	4,856,452
Total fund balances. . . . .	<u>\$ 5,885,997</u>	<u>\$ 2,500,000</u>	<u>\$ 455,209</u>	<u>\$ 8,841,206</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS  
AND CHANGES IN CASH BASIS FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	General	American Rescue Plan Act Great Miami Trail	Nonmajor Governmental Funds	Total Governmental Funds
<b>Receipts:</b>				
Local taxes. . . . .	\$ 6,910,868	\$ -	\$ -	\$ 6,910,868
Program income. . . . .	1,097,652	-	-	1,097,652
Intergovernmental. . . . .	440,671	-	-	440,671
Earnings on investments. . . . .	282,947	-	242	283,189
Donations and other grants. . . . .	1,858,484	2,500,000	1,013,196	5,371,680
Miscellaneous. . . . .	355,486	-	-	355,486
Total receipts. . . . .	<u>10,946,108</u>	<u>2,500,000</u>	<u>1,013,438</u>	<u>14,459,546</u>
<b>Disbursements:</b>				
Current:				
Conservation / recreation:				
Salaries and benefits. . . . .	4,192,031	-	-	4,192,031
Materials and supplies. . . . .	725,985	-	-	725,985
Contracted services. . . . .	1,467,274	-	-	1,467,274
Other. . . . .	116,825	-	-	116,825
Capital outlay. . . . .	2,725,184	-	560,640	3,285,824
Debt service:				
Principal retirement. . . . .	-	-	226,870	226,870
Interest and fiscal charges. . . . .	-	-	37,555	37,555
Total disbursements. . . . .	<u>9,227,299</u>	<u>-</u>	<u>825,065</u>	<u>10,052,364</u>
Excess of disbursements over receipts. . . . .	<u>1,718,809</u>	<u>2,500,000</u>	<u>188,373</u>	<u>4,407,182</u>
<b>Other financing sources (uses):</b>				
Transfers in. . . . .	-	-	180,000	180,000
Transfers (out). . . . .	(180,000)	-	-	(180,000)
Total other financing sources (uses). . . . .	<u>(180,000)</u>	<u>-</u>	<u>180,000</u>	<u>-</u>
Net change in fund balances. . . . .	1,538,809	2,500,000	368,373	4,407,182
<b>Fund balances at beginning</b>				
of year. . . . .	4,347,188	-	86,836	4,434,024
<b>Fund balances at end of year. . . . .</b>	<u>\$ 5,885,997</u>	<u>\$ 2,500,000</u>	<u>\$ 455,209</u>	<u>\$ 8,841,206</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts:</b>				
Local taxes. . . . .	\$ 6,347,941	\$ 6,347,941	\$ 6,910,868	\$ 562,927
Program income. . . . .	1,008,242	1,008,242	1,097,652	89,410
Intergovernmental. . . . .	404,776	404,776	440,671	35,895
Earnings on investments. . . . .	259,899	259,899	282,947	23,048
Grants and donations. . . . .	1,512,228	1,512,228	1,858,484	346,256
Miscellaneous . . . . .	326,530	326,530	355,486	28,956
Total receipts. . . . .	<u>9,859,616</u>	<u>9,859,616</u>	<u>10,946,108</u>	<u>1,086,492</u>
<b>Disbursements:</b>				
Current:				
Conservation / recreation:				
Salaries and benefits. . . . .	4,741,145	4,741,145	4,192,032	549,113
Materials and supplies. . . . .	998,196	998,196	882,586	115,610
Contracted services. . . . .	2,187,539	2,187,539	1,934,181	253,358
Other. . . . .	139,997	139,997	123,783	16,214
Capital outlay. . . . .	3,533,508	3,533,508	3,124,262	409,246
Total disbursements . . . . .	<u>11,600,385</u>	<u>11,600,385</u>	<u>10,256,844</u>	<u>1,343,541</u>
Excess of disbursements over receipts. . . . .	<u>(1,740,769)</u>	<u>(1,740,769)</u>	<u>689,264</u>	<u>2,430,033</u>
<b>Other financing sources (uses):</b>				
Transfers out. . . . .	<u>(203,578)</u>	<u>(203,578)</u>	<u>(180,000)</u>	<u>23,578</u>
Total other financing sources (uses). . . . .	<u>(203,578)</u>	<u>(203,578)</u>	<u>(180,000)</u>	<u>23,578</u>
Net change in fund balance . . . . .	(1,944,347)	(1,944,347)	509,264	2,453,611
<b>Fund balance at beginning of year. . . . .</b>	3,032,613	3,032,613	3,032,613	-
<b>Prior year encumbrances appropriated. . . . .</b>	1,314,575	1,314,575	1,314,575	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 2,402,841</u>	<u>\$ 2,402,841</u>	<u>\$ 4,856,452</u>	<u>\$ 2,453,611</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 1 - REPORTING 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.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING**

**A. Basis of Accounting and Presentation**

The financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting.

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

*Government-wide Financial Statements*

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

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

*Fund Financial Statements*

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

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**B. Cash with Fiscal Agent**

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.

**C. Fund Accounting**

The District 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. There are three categories of funds: governmental, proprietary and fiduciary. The District has no proprietary or fiduciary funds. Funds are used to segregate resources that are restricted as to use.

*Governmental Funds*

Governmental funds are those through which most governmental functions of the District are financed. The following are the District's major governmental funds:

*General Fund* - The general fund accounts for and reports all financial resources, except those required to be accounted for in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

*American Rescue Plan Act Great Miami Trail* – The American Rescue Plan Act Great Miami Trail accounts for and reports resources restricted by grants for capital outlay related for the Great Miami Trail capital project.

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects, and (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

**D. 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 item 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.

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**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.

**E. Fund Balance**

Under GASB No. 54, fund balances are divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**1. Nonspendable**

The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are 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.

**2. 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. Enabling legislation authorizes the 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 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.

**3. 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. Those committed amounts cannot be used for any other purpose unless the Board 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, the 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, 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.

**4. 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 the Board or a District official delegated that authority by resolution, or by State Statute.

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**5. Unassigned**

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

The 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.

**F. Capital Assets**

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

**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.

**H. Net Position**

Net position is reported as restricted to the extent of limitations imposed on its use, either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes includes monies restricted by grantors and reported in special revenue funds.

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

**I. Employer Contributions to Cost-Sharing Pension Plans**

The District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 6 and 7, the employer contributions include portions for pension benefits and for postemployment health care benefits.

**J. Long-Term Obligations**

The District's cash basis financial statements do not report liabilities for long-term obligations. Proceeds of debt are reported when cash is received, and principal and interest payments are reported when paid. Since recording a capital asset (including the intangible right to use) when entering into a lease transaction is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure is reported at inception. Lease payments are reported when paid.

**K. Leases**

The District is the lessor in leases for equipment and land under noncancelable leases. Leases payables are not reflected under the District's cash basis of accounting. Lease disbursements are recognized when they are paid.

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**L. Subscription Based Information Technology Arrangements**

Accruals related to Subscription Based Information Technology Arrangement (SBITA) contracts (as defined by GASB 96) are not reflected under the District's cash basis of accounting. SBITA disbursements are recognized when they are paid.

**M. Interfund Activity**

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities.

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

**NOTE 3 - BUDGETARY ACTIVITY**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The statement of cash receipts, cash disbursements and changes in fund cash balance - budget and actual (budgetary basis) presented for the general fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as disbursements on the budgetary basis but are not on a cash basis. At December 31, 2023, the encumbrances outstanding at year end (budgetary basis) amounted to \$1,029,545 for the general fund.

**NOTE 4 - DEBT**

At December 31, 2023, debt obligations consisted of the following issuances:

<u>Description</u>	<u>Balance at 12/31/2023</u>
PNC Special Revenue Refunding Bonds, Series 2022 to refinance Series 2017 Special Revenue bonds, bear an interest rate of 2.85%. Payments are made from the debt service fund and mature in 2028.	\$ 1,146,231
Total	<u><u>\$ 1,146,231</u></u>



**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 4 – DEBT – (Continued)**

Transactions for the year ended December 31, 2023 is summarized as follows:

	<u>Balance at 12/31/2022</u>	<u>Proceeds</u>	<u>Retirements</u>	<u>Balance at 12/31/2023</u>
PNC Special Revenue Refunding Bonds - 2022	1,373,100	-	(226,869)	1,146,231
Total	<u>\$ 1,373,100</u>	<u>\$ -</u>	<u>\$ (226,869)</u>	<u>\$ 1,146,231</u>

The principal and interest requirements to retire the debt obligations outstanding at December 31, 2023, are as follows:

<u>Year Ending December 31,</u>	<u>2022 PNC Special Revenue Refunding Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	233,382	31,016	264,398
2025	240,080	24,318	264,398
2026	246,971	17,427	264,398
2027	254,060	10,338	264,398
2028	<u>171,738</u>	<u>3,679</u>	<u>175,417</u>
Totals	<u>\$ 1,146,231</u>	<u>\$ 86,778</u>	<u>\$ 1,233,009</u>

**NOTE 5 - PROPERTY TAX**

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 December 31. The second half payment is due the following June 20.

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

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

**NOTE 6 - DEFINED BENEFIT PENSION PLANS**

***Plan Description - Ohio Public Employees Retirement System (OPERS)***

Plan Description - District employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which 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 combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. 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

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 6 - DEFINED BENEFIT PENSION PLANS - (Continued)**

<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 in the traditional and combined plans 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 and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35
<b>Law Enforcement</b>	<b>Law Enforcement</b>	<b>Law Enforcement</b>
<b>Age and Service Requirements:</b> Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>
<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 6 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3.00%. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20.00% each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 6 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

	State and Local		Law Enforcement
	Traditional	Combined	
<b>2023 Statutory Maximum Contribution Rates</b>			
Employer	14.0 %	14.0 %	18.1 %
Employee *	10.0 %	10.0 %	***
 <b>2023 Actual Contribution Rates</b>			
Employer:			
Pension ****	14.0 %	12.0 %	18.1 %
Post-employment Health Care Benefits *****	0.0	2.0	0.0
 Total Employer	 14.0 %	 14.0 %	 18.1 %
 Employee	 10.0 %	 10.0 %	 13.0 %

\* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

\*\*\* 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.

\*\*\*\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

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

The District's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was \$428,845 for 2023.

**NOTE 7 - DEFINED BENEFIT OPEB PLANS**

***Plan Description - Ohio Public Employees Retirement System (OPERS)***

Plan Description - The Ohio Public Employees Retirement System (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 trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected

**METROPARKS OF BUTLER COUNTY  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 7 - DEFINED BENEFIT OPEB PLANS – (Continued)**

with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to traditional pension plan and combined plan benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

**Medicare Retirees** Medicare-eligible with a minimum of 20 years of qualifying service credit

**Non-Medicare Retirees** Non-Medicare retirees qualify based on the following age-and-service criteria:

*Group A* 30 years of qualifying service credit at any age;

*Group B* 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

*Group C* 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022 who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

**METROPARKS OF BUTLER COUNTY  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 7 - DEFINED BENEFIT OPEB PLANS – (Continued)**

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50.00% of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a 2.00% allocation to health care for the Combined Plan. The OPERS Board 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 employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2023 was 4.00%; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

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

**NOTE 8 - RISK MANAGEMENT**

The District belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management programs and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 8 - RISK MANAGEMENT – (Continued)**

Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and has remained unchanged. OPRM had 801 members as of December 31, 2023.

The Pool's audited financial statements conform with accounting principles generally accepted in the United States of America, with the exception of a qualified opinion related to recording premiums and membership fees earned in full as of December 31, 2023. Those premiums and fees should be earned pro-rata over the individual coverage and membership periods of each policy. The financial statements reported the following assets, liabilities and equity at December 31, 2023.

	<u>2023</u>
Assets	\$23,113,696
Liabilities	<u>(16,078,587)</u>
Members'	
Equity	<u>\$7,035,109</u>

You can read the complete audited financial statements for OPRM at the Plan's website, [www.ohioplan.org](http://www.ohioplan.org).

**NOTE 9 - CONTINGENT LIABILITES**

LITIGATION

The District is involved in no material litigation as either a plaintiff or defendant.

GRANT FUNDING

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor. 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.

**NOTE 10 – FUND BALANCES**

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

**METROPARKS OF BUTLER COUNTY  
BUTLER COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023

**NOTE 10 – FUND BALANCES – (Continued)**

Fund Balances	General Fund	American Rescue Plan Act Great Miami Trail	Other Governmental Funds	Total
<b>Restricted for</b>				
Debt Service	\$ -	\$ -	\$ 2,181	\$ 2,181
Capital Projects	-	2,500,000	453,028	2,953,028
<i>Total Restricted</i>	-	2,500,000	455,209	2,955,209
<b>Assigned for</b>				
Encumbrances	1,029,545	-	-	1,029,545
<i>Total Assigned</i>	1,029,545	-	-	1,029,545
<b>Unassigned</b>	4,856,452	-	-	4,856,452
<i>Total Fund Balances</i>	<u>\$5,885,997</u>	<u>\$ 2,500,000</u>	<u>\$ 455,209</u>	<u>\$8,841,206</u>

**NOTE 11 - INTERFUND TRANSFERS**

Interfund transfers for the year ended December 31, 2023, consisted of the following, as reported on the fund financial statements:

<u>Transfers from general fund to:</u>	<u>Amount</u>
Nonmajor governmental	\$ 180,000
Total	<u>\$ 180,000</u>

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers between governmental funds are eliminated for reporting in the statement of activities. All transfers were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

**NOTE 12 - COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During 2023, the District received COVID-19 funding. The District will continue to spend available COVID-19 funding consistent with the applicable program guidelines.



# OHIO AUDITOR OF STATE KEITH FABER



65 East State Street  
Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
800-282-0370

## INDEPENDENT AUDITOR'S 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, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the MetroParks of Butler County, Butler County, (the District) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 30, 2024, wherein we noted the District uses a special purpose framework other than generally accepted accounting principles.

### ***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 District'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 or significant deficiencies may exist that were not identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the District'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 financial statements. 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio  
October 30, 2024

# OHIO AUDITOR OF STATE KEITH FABER



**METROPARKS OF BUTLER COUNTY**

**BUTLER COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 11/19/2024**

65 East State Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)