

**LAKE METROPARKS
LAKE COUNTY, OHIO**

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2017**

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



Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the Lake Metroparks District, Lake County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2017 through December 31, 2017. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Lake Metroparks District is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

May 9, 2018

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**LAKE METROPARKS
LAKE COUNTY, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017**

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

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

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

The Honorable Dave Yost
Auditor of State
State of Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lake Metroparks, Lake County, Ohio, (the Park District) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements, and have issued our report thereon dated April 9, 2018.

Internal Control Over Financial Reporting

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Park 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Park 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 Park District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James G. Zupka, CPA, Inc." The signature is written in a cursive, flowing style.

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

April 9, 2018

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

The prior audit report, as of December 31, 2016, included no findings or management letter recommendations.

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LAKE METROPARKS

Comprehensive Annual Financial Report

Lake County, Ohio | For the year ended December 31, 2017

2017



**LAKE METROPARKS, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017**

prepared by the Finance Division



PARK OFFICIALS AS OF DECEMBER 31, 2017

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

Board of Park Commissioners

Frank J. Polivka
Term Expires 12-31-18

Gretchen Skok DiSanto
Term Expires 12-31-19

John C. Redmond, CPA
Term Expires 12-31-20

Executive Director
Paul B. Palagyi

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

Chief Financial Officer
Christopher J. Brassell, CPA

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**LAKE METROPARKS, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2017**

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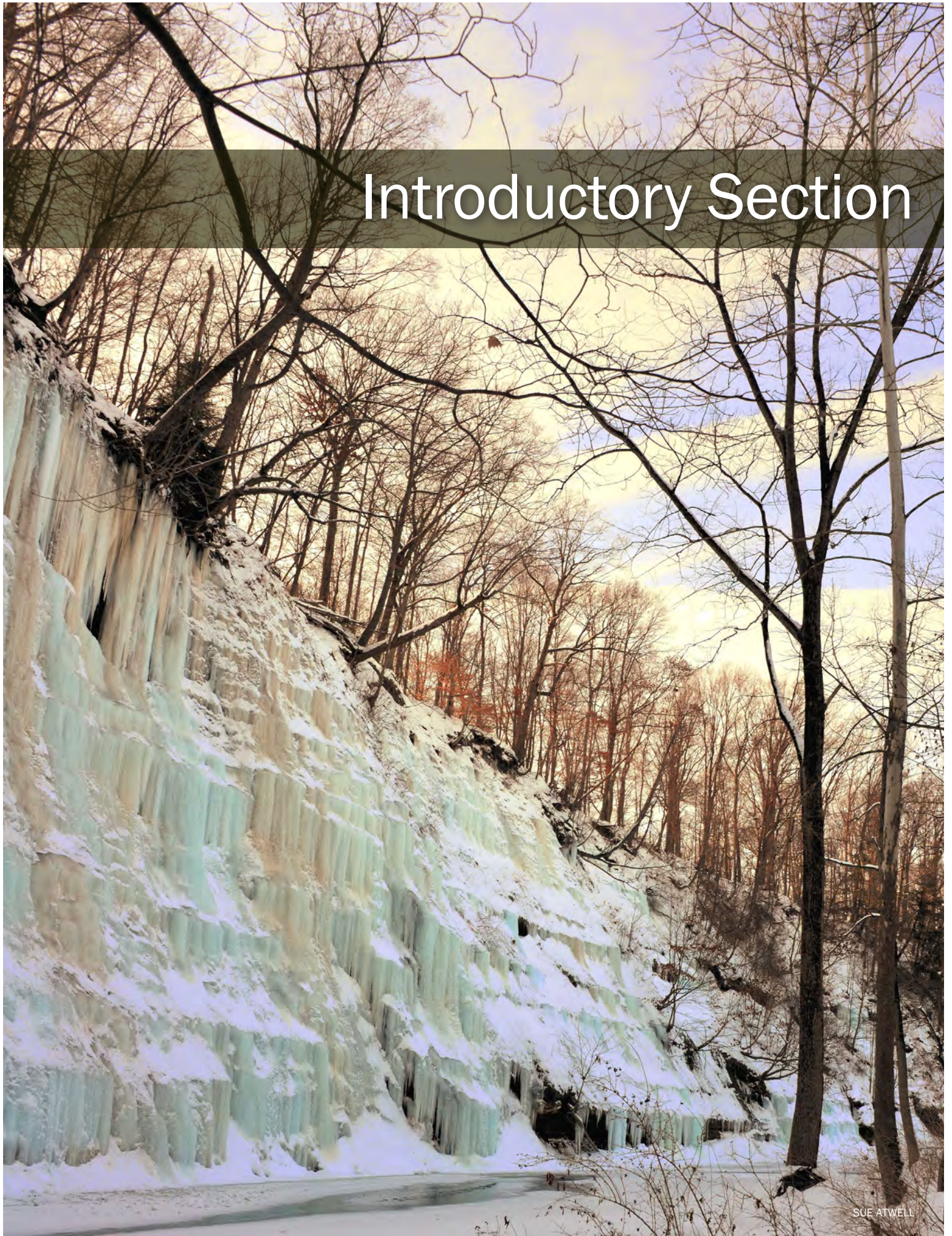
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Introductory Section





April 9, 2018

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

Formal Letter of Transmittal

We are pleased to submit the 28th Comprehensive Annual Financial Report (CAFR) for Lake Metroparks (hereafter, also referred to as the “Park District”). This report conforms to Generally Accepted Accounting Principles (GAAP) and provides full and complete disclosure of the financial position and operations of the Park District for the year ended December 31, 2017. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Park District’s management. To the best of our knowledge and beliefs, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position of the entity as a whole and results of operations of the various funds of the Park District. All disclosures necessary to enable the reader to gain an understanding of the Park District’s financial activities have been included.

Report Presentation

Financial statements of governmental organizations differ somewhat from the statements prepared for profit-oriented organizations in that governmental organizations prepare statements on a fund basis. In governmental accounting, the term “fund” is used to identify a separate accounting entity with its own assets, deferred outflows, liabilities, deferred inflows, revenues, and expenditures or expenses, as appropriate.

The Park District has established various funds to segregate activities to comply with legal requirements for segregation, to better facilitate management control, or to satisfy the requirements of GAAP. The presentation of this report and the financial statements contained herein are in conformance with principles established by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA) through its various pronouncements.

This letter of transmittal is designed to complement the Management’s Discussion and Analysis letter and should be read in conjunction with it. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

Lake Metroparks
Administrative Offices
11211 Spear Road
Concord Twp., Ohio 44077

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440-639-9126 fax
lakemetroparks.com

Lake County Probate Judge
Mark J. Bartolotta

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

Executive Director
Paul B. Palagyi

Park District Profile

The Park District was created in 1958 under the authority of Chapter 1545 of the Ohio Revised Code. The Park District consists of 46 units of park lands, 37 of which have public use amenities. Its boundaries are coterminous with the boundaries of Lake County, Ohio, located immediately east of Cuyahoga County, west of Ashtabula County and north of Geauga County. The southern shoreline of Lake Erie forms the northern boundary of the Park District. The Park District is operated by a three-member board appointed by the Judge of the Lake County Probate Court for three-year alternating terms. The Board of Park Commissioners appoints an Executive Director who serves as the chief executive officer for the Park District. The Board of Park Commissioners also retains a legal counsel and prosecutor.

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

Economic Condition and Outlook

Lake County, geographically the smallest county in the State of Ohio, is considered part of the Greater Cleveland metropolitan area. The industrial base of the County consists of chemical manufacturing and research, textile products, wire and wire mesh products, rock salt mining, plastic and plastic products, metal stamping, tooling, and custom machinery. The western half of the County is highly developed with industrial and commercial corporations and residential properties. In the eastern half of the County, nursery businesses provide significant economic contributions. The eastern and southeastern portions of the County are experiencing increased residential development. This trend is expected to continue. As of December 31, 2017, Lake County's unemployment rate was 4.4 percent, the national rate was 4.1 percent, and the state rate was 4.7 percent.

Major Initiatives and Accomplishments 2017

Maintaining Clean and safe parks continued to be our focus in 2017. It was a very busy year for the park as we continued our trend of increased visitation (over 3% above 2016 with 3.5 million visitors) and opened several new amenities for our visitors including:

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

Outlook for 2018:

In 2018 we will be adding several new amenities to the wide range of park facilities. We will be constructing a new archery range at Hidden Lake to compliment the new shelter that was installed in 2017. The range will provide a safe and enjoyable location for people to hone their archery skills and will also provide the parks with an outstanding location for archery programs designed to safely introduce guests of all ages to this growing sport. The Ohio Department of Natural Resources awarded Lake Metroparks a \$20,000 grant to support the creation of this range.

We will also be adding a new shade structure near the concession stand at Fairport Harbor Beach Park. This is our second most visited park with over 346,000 guests enjoying the beach and our facilities and programs in 2017. There is a limited amount of shade at the beach and we expect this structure to great enhance our visitor's enjoyment of the beach.

We were pleasantly surprised by the response to the new Nature Play Area that we created at Penitentiary Glen in 2017 which saw over 47,000 visitors in its first summer. A new restroom will be added to the area in 2018 to give parents a facility that is directly adjacent to the play area.

Finally, we are going to be doing quite a bit of work at the “Walden II” property that was donated to the park by the late Jim Storer. We will be demolishing one building and adding a parking lot, shelter, restroom and dock with the intention of opening the property to the general public in 2019.

This amenities continue our record of opening new properties and providing amenities to the public that will allow them to enjoy their great park system and the outstanding natural resources found in Lake County.

The Park District had a renewal levy on the May 6, 2014 ballot. This levy renewed our existing 1.9 mill levy which constitutes approximately 52 percent of general fund operating budget. Passage of this renewal allows the Park District to continue to provide clean and safe parks and outstanding outdoor education programs until 2022, when our existing 0.8 mill levy expires.

For 2018, the Board of Park Commissioners have authorized the reclassification of the Golf Fund from an Enterprise Fund to a department within the General Fund. Below are the four funds within the Park District’s 2018 budget:

- The General Fund represents the majority of the park systems personnel and daily operation expense – the expenditures of the General Fund are budgeted at \$20,297,460 including transfers of \$2,800,000 to the Improvement Fund.
- The Improvement Fund allows for the purchase of the majority of the park systems capital assets. The park system is projected to expend \$3,435,250 for land, vehicles, equipment, improvements and repairs and replacement amenities on existing parklands.
- The Health and Life Fund and the Drug Enforcement Fund will be unchanged from last year with projected expenditures of \$1,534,000 for the Health and Life Fund, and \$4,500 for the Drug Enforcement Fund.

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

Service Efforts and Accomplishments

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

Financial Information

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

Budgetary appropriations for the operation of the Park District’s divisions are established through the adoption of the annual appropriation resolution by the Board of Park Commissioners. Budgetary control is facilitated through the maintenance of an encumbrance system for purchase orders and through the use of the Park District’s financial accounting system.

The Park District maintains budgetary control within the organizational unit and fund by not permitting expenditures and encumbrances to exceed appropriations. Administrative control is maintained through the establishment of object line item budgets. Various departments are subject to performance budget reviews. Funds appropriated may not be expended for purposes other than those designated in the appropriation resolution. Purchase requisitions are used for all purchases of materials, services and supplies that exceed \$50. Purchase requisitions that exceed \$2,000 must be signed by the Executive

Director and all purchases over \$50,000 must be approved by the Board of Park Commissioners. The Park Board reviews all contracts. Monthly cash reports are sent to the Executive Director, division heads, and the Board of Park Commissioners.

Internal Controls

The Park District's internal controls are reviewed annually as a part of an independent audit. In developing and revising the Park District's accounting and reporting control system, consideration is given to the adequacy of internal controls to provide reasonable but not absolute assurance regarding:

- safeguarding assets against loss from unauthorized use or disposition, and
- reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

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

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

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

General Fund

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

Special Revenue Fund

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

Improvement Fund

The Improvement Fund is funded by grants and transfers from the General Fund. This fund supports land purchases and permanent improvements to the parks. The Improvement Fund received interest earnings as well as contributions. Total Improvement Fund level expenditures in 2017 were \$5,097,525, all of which were for capital expenditures.

Enterprise Fund

On January 1, 1993, the Park District began to account for golf operations as an Enterprise Fund. Prior to 1993, golf operations were accounted for as a Special Revenue Fund. The Park District operates two golf courses: Erie Shores Golf Course in Madison (eastern Lake County) and Pine Ridge Country Club, acquired in May 1993, located in Wickliffe (western Lake County). In 2017, the Enterprise Fund received a \$550,000 transfer from the General Fund for capital improvements at Erie Shores Golf Course and Pine Ridge Country Club.

Internal Service Fund

In March 1990, the Park District began a self-insured hospitalization program. During 2017, billings for services to other funds, employee share payment, and COBRA charges to participants represented 100 percent of the fund operating revenue or \$1,520,350. During 2017, claims expenses were \$1,039,334 or 76 percent of expenses. Premiums for administration expense and stop-loss insurance, both in the aggregate and in the individual, were \$331,261 or 24 percent of expenses. This fund also generated \$2,309 in non-operating interest.

Current Financial Policies

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

Independent Audit

Included in this report is an unmodified audit opinion rendered on the Park District's financial operations as well as its assets and liabilities at year-end 2017 by our independent auditors, James G. Zupka, CPA Inc. The Park District's management intends to continue to subject the financial statements to an annual independent audit as part of the preparation of this CAFR. An annual audit serves to maintain and strengthen the Park District's accounting and budgetary controls.

Park District Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Park District for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2016. This was the 27th consecutive year that the Park District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the Park District must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

2017 APEX Awards:

(Organizer: Lake Communicators)

Lake Metroparks received nine (9) awards for marketing projects submitted into the Lake Communicators* annual APEX Awards competition amongst advertisers, copywriters, public relations professionals, graphic designers, writers, photographers, videographers and other communications professionals working in or for clients in Lake, Geauga and Ashtabula Counties. Lake Metroparks won one Best of Show, six first place ("Gold"), one second place ("Silver"), and one third place ("Bronze") awards:

Best of Show: Digital Media

Digital Media – Website

Gold: redesign of lakemetroparks.com

Digital Media – Social Media

Gold: Lake Metroparks' "Top 5 Fall Colors Hikes" Facebook campaign

Advertising – Print

Gold: Ice Festival ad

Public Relations – Special Events & Observances

Gold: Inspired by the National Parks Quilt Show (multiple marketing communications pieces)

Print Marketing – Invite/Announcement/Postcard/Multiple package

Gold: opening reception invitation for The Way I See It: the Nature Art of Hap Howle

Print Marketing/Collateral Materials – Newsletter

Gold: Lake Metroparks Farmpark Almanac (newsletter for one year/four issues)

Collateral Literature – Product sheet/White paper/Flier/Rack card

Silver: Quilts 2017 rack card

Individual Specialty – Graphic Design

Bronze: Lake Erie Bluffs brochure

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

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

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

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



Paul B. Palagyi
Executive Director



Christopher J. Brassell, CPA
Chief Financial Officer



Government Finance Officers Association

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

Presented to

**Lake Metroparks
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

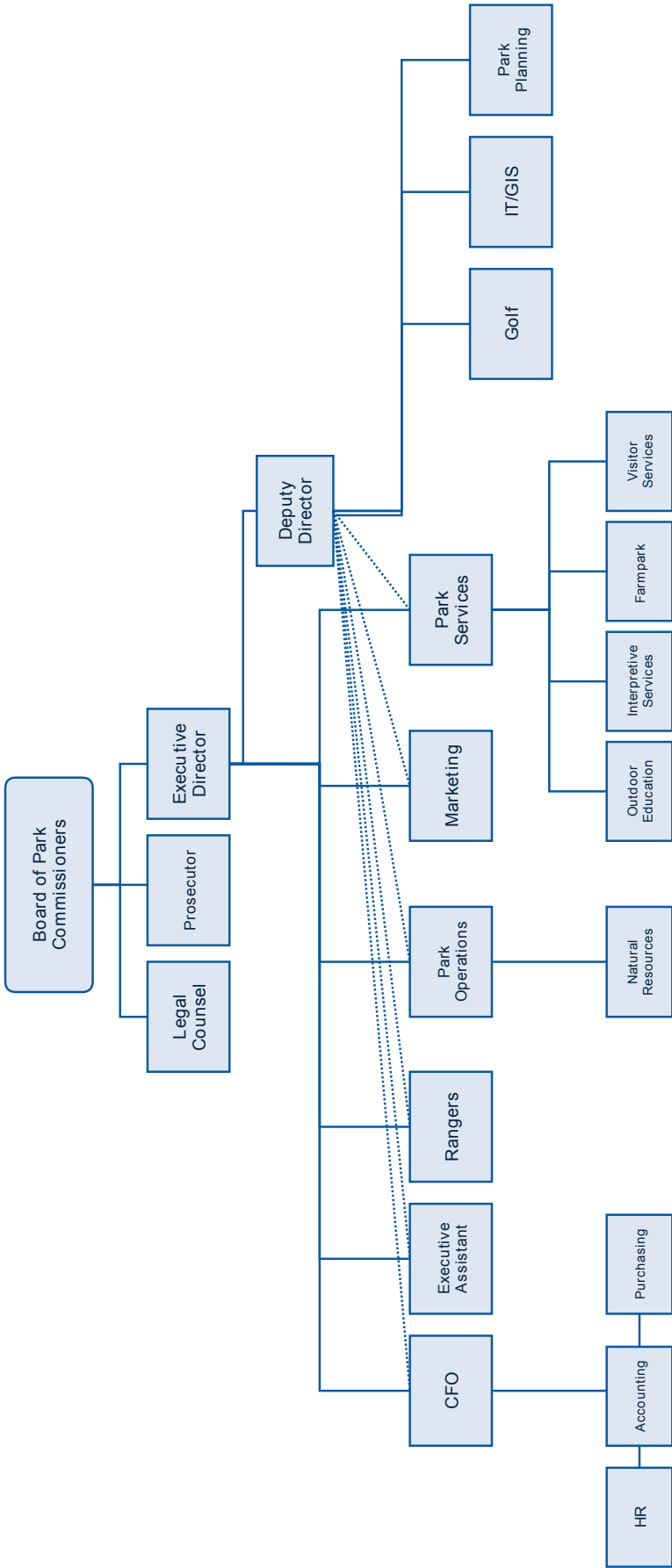
December 31, 2016

Christopher P. Morill

Executive Director/CEO

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Lake Metroparks Organizational Chart



Lake Metroparks
List of Principal Officials
December 31, 2017

Lake County Probate Judge

Honorable Judge Mark J. Bartolotta

Board of Park Commissioners

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

Executive Director

Paul B. Palagyi

Deputy Director

Vince D. Urbanski

Legal Counsel

Mark A. Zicarelli
Russell J. Meraglio, Jr.

Chief Financial Officer

Christopher J. Brassell, CPA

Park Services Director

Thomas A. Adair

Director of Park Operations

John P. Grantham II

Financial Section



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

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

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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

The Honorable Dave Yost
Auditor of State
State of Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lake Metroparks, Lake County, Ohio, (the Park District) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lake Metroparks as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 9, 2018, on our consideration of the Park District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Park District's internal control over financial reporting and compliance.



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

April 9, 2018

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Management's Discussion and Analysis of Lake Metroparks' (the "Park District") financial performance provides an overview of the Park District's financial activities for the fiscal year ended December 31, 2017. Please read it in conjunction with the Park District's basic financial statements, which begin on page 27.

Financial Highlights

- The results of the Park District's net position was a decrease in net position in business-type and an increase governmental activities. Net position of our business-type activities decreased by \$94,633 or 1.3 percent and the net position of our governmental activities increased by \$561,313 or .84 percent.
- Total cost of all of the Park District's programs was \$19,402,574 in 2017 compared to \$16,124,073 in 2016, an increase of \$3,278,501 or 20.3 percent.
- During the year, investment in capital assets increased in governmental activities by \$2,901,230 and investment in capital assets and goodwill decreased in business-type activities by \$86,507.

Using This Annual Report

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

Reporting the Park District as a Whole

The Statement of Net Position and the Statement of Activities

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

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

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

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

Reporting the Park District's Most Significant Funds

Fund Financial Statements

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

Governmental funds: Most of the Park District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Park District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Park District's programs. We describe the relationship (or differences) between governmental activities (reported in the *Statement of Net Position* and the *Statement of Activities*) and governmental funds in reconciliations beside the fund financial statements.

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

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

The Park District as a Whole

The Park District's total governmental assets changed from a year ago, increasing from \$88,630,353 to \$91,032,500. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Park District's governmental and business-type activities.

Lake Metroparks
Management's Discussion and Analysis
December 31, 2017 (Unaudited)

Table 1 - Net Position						
	Governmental		Business-type		Total	
	2017	2016	2017	2016	2017	2016
Assets						
Other Assets	\$28,945,035	\$29,444,118	\$642,990	\$559,252	\$29,588,025	\$30,003,370
Capital Assets and Goodwill	62,087,465	59,186,235	7,320,151	7,369,274	69,407,616	66,555,509
Total Assets	91,032,500	88,630,353	7,963,141	7,928,526	98,995,641	96,558,879
Deferred Outflows of Resources						
Pension	5,062,069	4,061,091	453,843	376,182	5,515,912	4,437,273
Liabilities						
Long-Term Outstanding	13,971,365	11,328,455	1,250,905	1,044,686	15,222,270	12,373,141
Other Liabilities	866,250	660,739	36,296	41,164	902,546	701,903
Total Liabilities	14,837,615	11,989,194	1,287,201	1,085,850	16,124,816	13,075,044
Deferred Inflow of Resources						
Property Taxes	13,688,946	13,767,199	0	0	13,688,946	13,767,199
Pension	276,436	204,792	25,072	19,514	301,508	224,306
Total Deferred Inflows of Resources	13,965,382	13,971,991	25,072	19,514	13,990,454	13,991,505
Investments in Capital						
Capital Assets and Goodwill	62,087,465	59,186,235	7,282,767	7,369,274	69,370,232	66,555,509
Restricted	2,355,907	3,962,840	0	0	2,355,907	3,962,840
Unrestricted	2,848,200	3,581,184	(178,056)	(169,930)	2,670,144	3,411,254
Total Net Position	\$67,291,572	\$66,730,259	\$7,104,711	\$7,199,344	\$74,396,283	\$73,929,603

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

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

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

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

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

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

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

Net position of the Park District's governmental activities increased by \$561,313, (\$66,730,259 at December 31, 2016 compared to \$67,291,572 at December 31, 2017). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, decreased by \$732,984, (at December 31, 2016, \$3,581,184 compared to \$2,848,200 at December 31, 2017). Restricted net position, those restricted mainly for capital projects, decreased by \$1,606,933, (\$3,962,840 at December 31, 2016 compare to \$2,355,907 at December 31, 2017.) The governmental activities investment in capital assets and goodwill category increased by \$2,901,230, (\$59,186,235 at December 31, 2016 compared to \$62,087,465 at December 31, 2017).

The net position of our business-type activities decreased by \$94,633, (\$7,199,344 at December 31, 2016 compared to \$7,104,711 at December 31, 2017). The Park District commits the net position to finance the continuing operations of the Golf Fund.

Financial Ratios

The financial ratios following should be used to assess the financial stability of the Park District over an extended period of time.

The *Ratios of Working Capital* and *Days Cash and Investment in Reserve* demonstrate the ability to finance operations with cash. The stability of the *Current Ratio* and the *Liabilities to Net Position* demonstrate the Park District's ability to pay back its liabilities.

Working Capital is the amount by which current assets exceed current liabilities. The *Current Ratio*, which compares current assets to current liabilities, is an indicator of the ability to pay current obligations.

Working Capital	2016	2017
Entity Wide Summary	\$14,860,326	\$14,421,623
Governmental	14,402,442	13,848,424
Business-type	457,884	573,199
Current Ratio	2016	2017
Entity Wide Summary	1.98	1.95
Governmental	1.96	1.92
Business-type	5.52	9.21

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

Days Cash and Investment	2016	2017
Entity Wide Summary	231	236
Governmental	246	247
Business-type	110	123

Liabilities to Net Position indicates the extent of borrowing.

Liabilities to Net Position	2016	2017
Entity Wide Summary	37%	40%
Governmental	39%	43%
Business-type	15%	18%

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

Return on Assets	2016	2017
Entity Wide Summary	3.96%	0.045%
Governmental	4.18%	0.59%
Business-type	1.45%	-1.15%

Lake Metroparks
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	Table 2 - Change in Net Position					
	Governmental		Business-type		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program Revenues:						
Charges for Services	\$2,229,645	\$2,196,799	\$1,235,130	\$1,270,903	\$3,464,775	\$3,467,702
Operating Grants and Contributions	148,459	100,408	4,650	1,250	153,109	101,658
Capital Grants and Contributions	500	688,081	110,505	0	111,005	688,081
General Revenues:						
Property Tax	14,865,103	14,490,425	0	0	14,865,103	14,490,425
Grants and Entitlements, Unrestricted	1,097,501	1,080,734	0	0	1,097,501	1,080,734
Interest	93,963	57,609	4,311	1,946	98,274	59,555
Miscellaneous	78,553	89,524	934	415	79,487	89,939
Total Revenues	18,513,724	18,703,580	1,355,530	1,274,514	19,869,254	19,978,094
Program Expenses:						
Parks and Recreation	17,402,411	14,216,827	0	0	17,402,411	14,216,827
Golf	0	0	2,000,163	1,907,246	2,000,163	1,907,246
Total Expenses	17,402,411	14,216,827	2,000,163	1,907,246	19,402,574	16,124,073
Increase (Decrease) in Net Position before Transfers	1,111,313	4,486,753	(644,633)	(632,732)	466,680	3,854,021
Transfers	(550,000)	(750,000)	550,000	750,000	0	0
Change in Net Position	561,313	3,736,753	(94,633)	117,268	466,680	3,854,021
Net Position Beginning	66,730,259	62,993,506	7,199,344	7,082,076	73,929,603	70,075,582
Net Position Ending	\$67,291,572	\$66,730,259	\$7,104,711	\$7,199,344	\$74,396,283	\$73,929,603

Total net position for Lake Metroparks increased by \$466,680. The increase in governmental net position of \$561,313 and decrease in net position in business-type activities was \$94,633 were due to decreased transfers as compared to the prior year.

General Governmental Functions by Individual Fund

The following schedules present individual governmental funds revenues and the percentage of total for the year ended December 31, 2017, as well as the expenditures and the percentage of total for the year ended December 31, 2017.

General Fund

Revenue Source	2017 Amount	Percent of Total	2016 Amount	Increase (Decrease) from 2016	Percent Increase (Decrease)
Property Taxes	\$14,562,609	76.13%	\$14,427,675	\$134,934	0.94%
Intergovernmental Fees and Admissions	2,039,557	10.66%	2,050,584	(11,027)	-0.54%
Merchandise Sales	1,808,631	9.46%	1,750,245	58,386	3.34%
Interest	435,184	2.28%	453,182	(17,998)	-3.97%
Fines and Forfeits	76,119	0.40%	41,220	34,899	84.67%
Contributions	2,493	0.01%	3,910	(1,417)	-36.24%
Miscellaneous	136,348	0.71%	100,408	35,940	35.79%
<i>Total Revenue</i>	<i>\$19,128,529</i>	<i>100.00%</i>	<i>\$18,897,861</i>	<i>\$230,668</i>	<i>1.22%</i>

Expenditures	2017 Amount	Percent of Total	2016 Amount	Increase (Decrease) from 2016	Percent Increase (Decrease)
Parks and Recreation	\$14,041,070	80.89%	\$13,631,210	\$409,860	3.01%
Capital Outlay	167,598	0.97%	92,978	74,620	80.26%
Transfer Out	3,150,000	18.14%	3,250,000	(100,000)	-3.08%
<i>Total Expenditures and Transfer Out</i>	<i>\$17,358,668</i>	<i>100.0%</i>	<i>\$16,974,188</i>	<i>\$384,480</i>	<i>2.27%</i>

The fund balance increased by \$1,769,861 mainly due to an increase in property tax and fees and admissions revenues. These increases in revenue were offset by the increase in personnel expenditures.

Drug Enforcement Fund

Revenue Source	2017 Amount	Percent of Total	2016 Amount	Increase (Decrease) from 2016	Percent Increase (Decrease)
Interest	\$112	1.57%	\$44	\$68	154.55%
Fines and Forfeits	7,014	98.43%	10,006	(2,992)	-29.90%
<i>Total Revenue</i>	<u>\$7,126</u>	<u>100.00%</u>	<u>\$10,050</u>	<u>(\$2,924)</u>	<u>-29.09%</u>

Expenditures	2017 Amount	Percent of Total	2016 Amount	Increase (Decrease) from 2016	Percent Increase (Decrease)
Recreation	\$1,342	100.00%	\$3,649	(\$2,307)	-63.22%
<i>Total Expenditures</i>	<u>\$1,342</u>	<u>100.00%</u>	<u>\$3,649</u>	<u>(\$2,307)</u>	<u>-63.22%</u>

The fund balance increased by \$5,784 due to decrease in expenditures in relation to the prior year.

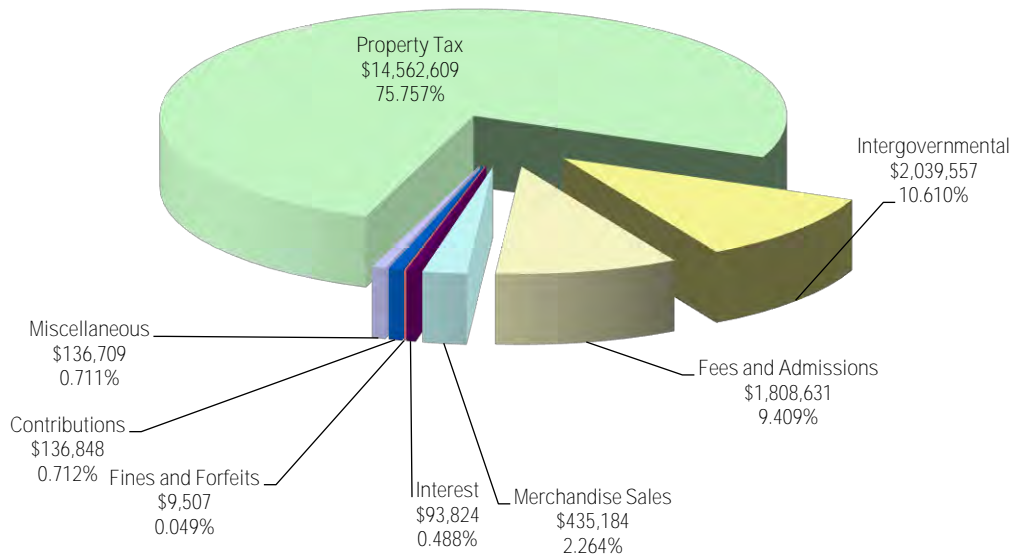
Improvement Fund

Revenue Source	2017 Amount	Percent of Total	2016 Amount	Increase (Decrease) from 2016	Percent Increase (Decrease)
Intergovernmental	\$0	0.00%	\$952,538	(\$952,538)	-100.00%
Interest	17,593	0.65%	16,299	1,294	7.94%
Contributions	500	0.02%	82,500	(82,000)	-99.39%
Miscellaneous	69,121	2.57%	82,065	(12,944)	-15.77%
Transfer in	2,600,000	96.76%	2,500,000	100,000	4.00%
<i>Total Revenue and Transfer In</i>	<u>\$2,687,214</u>	<u>100.00%</u>	<u>\$3,633,402</u>	<u>(\$946,188)</u>	<u>-26.04%</u>

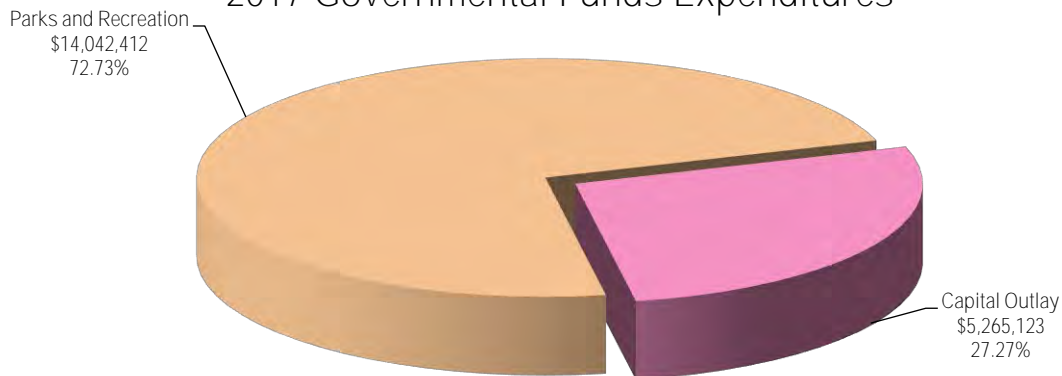
Expenditures	2017 Amount	Percent of Total	2016 Amount	Increase (Decrease) from 2016	Percent Increase (Decrease)
Capital Outlay	\$5,097,525	100.00%	\$5,937,984	(\$840,459)	-14.15%
<i>Total Expenditures</i>	<u>\$5,097,525</u>	<u>100.00%</u>	<u>\$5,937,984</u>	<u>(\$840,459)</u>	<u>-14.15%</u>

The fund balance decreased by \$2,410,311 due to the decrease in intergovernmental revenue. The Park District received its final grant reimbursement from a previous years grant.

2017 Governmental Funds Revenue



2017 Governmental Funds Expenditures



Proprietary Funds

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

Golf fees and charges are reviewed on a yearly basis and changes are recommended to the Board of Park Commissioners for passage. During 2017, there was no increase to greens fees. Hospitalization fees are adjusted via the budget and contractual requirements and adjusted each March. Total Golf Fund charges for services decreased by 2.80 percent due to less favorable weather conditions.

Lake Metroparks
Management's Discussion and Analysis
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The Hospitalization Fund net position increased by \$152,064 in 2017. Claims increased in 2017 as compared to 2016. The Park District purchased stop-loss insurance in the amount of \$85,000 individual and no aggregate limit.

	<u>Golf</u>	<u>Hospitalization</u>
Total Assets	\$8,416,984	\$1,063,804
Net Position	7,104,711	926,742
Change in Net Position	(94,633)	152,604
Return on Ending Total Assets	-1.1%	14%
Return on Ending Net Position	-1.3%	16%

Capital Assets

At the end of 2017, the Park District had \$69,370,232 invested in a broad range of capital assets net of accumulated depreciation including land, buildings, vehicles, equipment, livestock, trails, bridges and parking lots. (See table below.) This amount represents a net increase (including additions and deductions) of \$2,859,115 or an increase of 4.3 percent from last year.

Capital Assets at Year-end (Net of Depreciation)						
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$37,260,941	\$36,657,499	\$2,713,556	\$2,713,556	\$39,974,497	\$39,371,055
Buildings	16,569,193	15,617,469	4,681,749	4,611,841	21,250,942	20,229,310
Furniture/Fixtures	1,439,813	1,344,146	222,606	226,786	1,662,419	1,570,932
Land Improvements	0	0	4,381,800	4,321,972	4,381,800	4,321,972
Machinery/Equipment	5,158,177	4,924,569	1,493,284	1,488,944	6,651,461	6,413,513
Livestock	40,600	33,700	0	0	40,600	33,700
Vehicles	3,445,540	3,326,592	731,887	691,169	4,177,427	4,017,761
Construction in Progress	0	605,579	0	0	0	605,579
Leasehold Improvement	4,819,939	2,622,591	0	0	4,819,939	2,622,591
Infrastructure	13,439,740	12,557,441	0	0	13,439,740	12,557,441
Accumulated Depreciation	(20,086,478)	(18,503,351)	(6,942,115)	(6,729,386)	(27,028,593)	(25,232,737)
Total	\$62,087,465	\$59,186,235	\$7,282,767	\$7,324,882	\$69,370,232	\$66,511,117

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

Economic Factors

Lake Metroparks is a park district (special purpose government) operating under the authority of Chapter 1545 of the Ohio Revised Code encompassing and providing park and recreation opportunities to the citizens of Lake County. The County unemployment rate is 4.4 percent compared to 4.7 percent for the state and the national unemployment rate of 4.1 percent as of December 31, 2017, these compared to 2016 rates of 4.7 percent for the County, 4.9 percent for the state, and 4.7 percent for the national unemployment rate.

2017 Budgetary Highlights

The Executive Director proposed and the Board of Park Commissioners adopted an original budget for the year 2017. The 2017 budget called for General Fund expenditures and transfers of \$18,789,444. There were no significant modifications to the General Fund budget as a whole in 2017. In addition, there were no other significant budgetary variances in the 2017 for the other funds final amended budget and actual results.

Contacting the Park District's Financial Management

This financial report is designed to provide our citizens, taxpayers, patrons and creditors with a general overview of the Park District's finances and to show the Park District's accountability for the funds it receives. If you have questions about this report or need additional financial information, contact Christopher J. Brassell, CPA, Chief Financial Officer, Lake Metroparks, 11211 Spear Road, Concord Twp., Ohio 44077, phone (440) 639-7275 or e-mail cbrassell@lakemetroparks.com.

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Basic Financial Statements



Lake Metroparks
Statement of Net Position
December 31, 2017

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and Cash Equivalents	\$13,350,436	\$526,105	\$13,876,541
Taxes Receivable	14,194,607	--	14,194,607
Accounts Receivable	33,215	13,043	46,258
Interest Receivable	10,058	356	10,414
Due From Other Governments	941,468	--	941,468
Inventories at Cost	222,030	86,025	308,055
Prepaid Items	159,121	14,418	173,539
Nondepreciable Capital Assets (Note 6)	37,301,541	2,713,556	40,015,097
Depreciable Capital Assets - Net (Note 6)	24,785,924	4,569,211	29,355,135
Net Goodwill	--	37,384	37,384
Net Pension Asset	34,100	3,043	37,143
<i>Total Assets</i>	<u>91,032,500</u>	<u>7,963,141</u>	<u>98,995,641</u>
Deferred Outflows of Resources			
Pension	5,062,069	453,843	5,515,912
Liabilities			
Accounts Payable	280,839	6,516	287,355
Claims Payable	137,062	--	137,062
Due To Other Governments	125,169	3,214	128,383
Accrued Liabilities	32,336	15,066	47,402
Accrued Wages	196,454	11,500	207,954
Matured Compensated Absences	94,390	--	94,390
Long-term Liabilities:			
Due Within One Year (Note 7)	635,805	33,495	669,300
Due In More Than One Year (Note 7)	652,478	56,356	708,834
Net Pension Liability (Note 4)	12,683,082	1,161,054	13,844,136
<i>Total Liabilities</i>	<u>14,837,615</u>	<u>1,287,201</u>	<u>16,124,816</u>
Deferred Inflows of Resources			
Property Taxes	13,688,946	--	13,688,946
Pension	276,436	25,072	301,508
<i>Total Deferred Inflows of Resources</i>	<u>13,965,382</u>	<u>25,072</u>	<u>13,990,454</u>
Net Position			
Investment in Capital Assets and Goodwill	62,087,465	7,282,767	69,370,232
Amounts Restricted for:			
Capital Projects	2,336,693	--	2,336,693
Drug Enforcement	19,214	--	19,214
Unrestricted Amounts	2,848,200	(178,056)	2,670,144
<i>Total Net Position</i>	<u>\$67,291,572</u>	<u>\$7,104,711</u>	<u>\$74,396,283</u>

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

Lake Metroparks
Statement of Activities
For the Year Ended December 31, 2017

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs				
Governmental Activities				
Parks and Recreation	\$17,402,411	\$2,229,645	\$148,459	\$500
<i>Total Governmental Activities</i>	<u>17,402,411</u>	<u>2,229,645</u>	<u>148,459</u>	<u>500</u>
Business-type Activities				
Golf	2,000,163	1,235,130	4,650	110,505
<i>Total Business-type Activities</i>	<u>2,000,163</u>	<u>1,235,130</u>	<u>4,650</u>	<u>110,505</u>
<i>Total Primary Government</i>	<u>\$19,402,574</u>	<u>\$3,464,775</u>	<u>\$153,109</u>	<u>\$111,005</u>

General Revenues (Expenditures)

Property Tax

Grants & Entitlements, Unrestricted

Interest

Miscellaneous

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
(\$15,023,807)	\$--	(\$15,023,807)
(15,023,807)	--	(15,023,807)
--	(649,878)	(649,878)
--	(649,878)	(649,878)
(15,023,807)	(649,878)	(15,673,685)
14,865,103	--	14,865,103
1,097,501	--	1,097,501
93,963	4,311	98,274
78,553	934	79,487
16,135,120	5,245	16,140,365
(550,000)	550,000	--
15,585,120	555,245	16,140,365
561,313	(94,633)	466,680
66,730,259	7,199,344	73,929,603
\$67,291,572	\$7,104,711	\$74,396,283

Lake Metroparks
Balance Sheet
Governmental Funds
December 31, 2017

	General Fund	Improvement Fund
Assets		
Cash and Cash Equivalents	\$10,462,552	\$1,805,119
Receivables:		
Taxes	14,194,607	--
Accounts	33,215	--
Interest	6,876	2,929
Due From Other Governments	941,468	--
Inventories at Cost	222,030	--
Prepaid Items	148,742	10,379
<i>Total Assets</i>	<u>\$26,009,490</u>	<u>\$1,818,427</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities:		
Accounts Payable	\$63,780	\$217,059
Due To Other Governments	125,169	--
Accrued Liabilities	32,336	--
Accrued Wages	196,454	--
Matured Compensated Absences	94,390	--
<i>Total Liabilities</i>	<u>512,129</u>	<u>217,059</u>
Deferred Inflows of Resources:		
Property Taxes	13,688,946	--
Unavailable Revenues:		
Intergovernmental	941,468	--
Delinquent Property Taxes	505,661	--
<i>Total Deferred Inflows of Resources</i>	<u>15,136,075</u>	<u>--</u>
Fund Balances:		
Nonspendable	370,772	10,379
Restricted for Drug Enforcement	--	--
Committed to Contract Services	--	147,548
Assigned	42,030	1,443,441
Unassigned	9,948,484	--
<i>Total Fund Balances</i>	<u>10,361,286</u>	<u>1,601,368</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$26,009,490</u>	<u>\$1,818,427</u>

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

Lake Metroparks
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2017

Non-Major Governmental/ Drug Enforcement Fund	Total Governmental Funds		
		Total Governmental Funds Balances	\$11,981,868
\$19,203	\$12,286,874	<i>Amounts reported for governmental activities in the Statement of Net Position are different because:</i>	
--	14,194,607	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	62,087,465
--	33,215		
11	9,816		
--	941,468		
--	222,030	Other long-term assets that are not available to pay current period expenditures and therefore are unavailable revenues in the fund.	
--	159,121		
<u>\$19,214</u>	<u>\$27,847,131</u>		
		Delinquent Property Taxes	505,661
		Intergovernmental	941,468
		The net pension asset/liability is not expected to be received, due, receivable and payable in the current period; therefore, the asset/liability and related deferred inflows/outflows are not reported in governmental funds:	
\$--	\$280,839	Deferred Outflows - Pension	5,062,069
--	125,169	Deferred Inflows - Pension	(276,436)
--	32,336	Net Pension Asset	34,100
--	196,454	Net Pension Liability	(12,683,082)
--	94,390		
<u>--</u>	<u>729,188</u>		
--	13,688,946	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(1,288,283)
--	941,468		
--	505,661		
<u>--</u>	<u>15,136,075</u>	Internal service funds are not reported in the funds statement but are governmental activities in the Statement of Net Position.	<u>926,742</u>
--	381,151		
19,214	19,214	Net Position of Governmental Activities	<u><u>\$67,291,572</u></u>
--	147,548		
--	1,485,471		
--	9,948,484		
<u>19,214</u>	<u>11,981,868</u>		
<u>\$19,214</u>	<u>\$27,847,131</u>		

Lake Metroparks
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017

	General Fund	Improvement Fund
Revenues		
Property Tax	\$14,562,609	\$--
Intergovernmental	2,039,557	--
Fees and Admissions	1,808,631	--
Merchandise Sales	435,184	--
Interest	76,119	17,593
Fines and Forfeitures	2,493	--
Contributions	136,348	500
Miscellaneous	67,588	69,121
<i>Total Revenues</i>	<u>19,128,529</u>	<u>87,214</u>
Expenditures		
Parks and Recreation	14,041,070	--
Capital Outlay	167,598	5,097,525
<i>Total Expenditures</i>	<u>14,208,668</u>	<u>5,097,525</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,919,861</u>	<u>(5,010,311)</u>
Other Financing Sources (Uses)		
Transfers In	--	2,600,000
Transfers Out	(3,150,000)	--
<i>Total Other Financing Sources (Uses)</i>	<u>(3,150,000)</u>	<u>2,600,000</u>
<i>Net Change in Fund Balances</i>	1,769,861	(2,410,311)
<i>Fund Balances - Beginning of the Year</i>	8,612,833	4,011,679
<i>Increase (Decrease) in Reserve for Inventories</i>	<u>(21,408)</u>	<u>--</u>
<i>Fund Balances - End of the Year</i>	<u>\$10,361,286</u>	<u>\$1,601,368</u>

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

Lake Metroparks
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2017

Non-Major Governmental/ Drug Enforcement Fund	Total Governmental Funds		
		Net Changes in Fund Balances - Total Governmental Funds	(\$634,666)
		<i>Amounts reported for Governmental Activities in the Statement of Activities are different because:</i>	
\$--	\$14,562,609	Governmental funds report capital outlays as expenditures. However, in the	
--	2,039,557	Statement of Activities the cost of those assets is allocated over their useful	
--	1,808,631	lives as depreciation expense. This is the amount by which capital outlays	
--	435,184	exceeded depreciation in the current period.	
112	93,824	Note: Capital Outlays \$5,466,135 Depreciation (\$1,940,653).	3,525,482
7,014	9,507		
--	136,848	In the Statement of Activities, only the loss on the disposal of capital assets	
--	136,709	is reported, whereas, in the Governmental Funds, the proceeds from the	
7,126	19,222,869	disposals increase financial resources. Thus the change in net position differs	
		from the change in fund balance by the net book value of the capital assets.	
		Note: Capital Asset Deletions \$981,778 Depreciation (\$357,526).	(624,252)
1,342	14,042,412		
--	5,265,123	Contractually required contributions are reported as expenditures in	
1,342	19,307,535	governmental funds; however, the statement of net position reports	
		these amounts as deferred outflows.	1,012,548
5,784	(84,666)		
		Except for amounts reported as deferred inflows/outflows, changes	
		in the net pension liability are reported as pension expense in the	
--	2,600,000	statement of activities.	(2,755,812)
--	(3,150,000)		
--	(550,000)	Some expenses reported in the Statement of Activities do not require the	
		use of current financial resources and therefore are not reported as expenditures	
5,784	(634,666)	in governmental funds.	
		Compensated Absences	41,259
13,430	12,637,942	Change in Inventory	(21,408)
--	(21,408)	Internal service activity is not reported in governmental funds but is reported	
		as governmental activities in the Statement of Activities.	152,064
\$19,214	\$11,981,868		
		Revenues in the Statement of Activities that do not provide current	
		financial resources are not reported as revenues in the funds.	
		Delinquent Property Taxes	(133,313)
		Intergovernmental	(589)
			<u>\$561,313</u>
		Change in Net Position of Governmental Activities	<u>\$561,313</u>

Lake Metroparks
Statement of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non-GAAP) Budgetary Basis
General Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Property Tax	\$13,682,730	\$13,694,898	\$14,562,609	\$867,711
Intergovernmental	2,125,615	2,129,894	2,039,557	(90,337)
Fees and Admissions	1,554,300	1,554,300	1,814,284	259,984
Merchandise Sales	405,900	405,900	436,183	30,283
Interest	25,000	25,000	71,030	46,030
Fines and Forfeitures	3,000	3,000	2,493	(507)
Contribution	118,900	118,900	148,459	29,559
Miscellaneous	71,300	62,439	66,172	3,733
<i>Total Revenues</i>	<u>17,986,745</u>	<u>17,994,331</u>	<u>19,140,787</u>	<u>1,146,456</u>
Expenditures				
Salaries	8,551,652	8,493,665	8,077,416	416,249
OPERS	1,200,780	1,198,715	1,140,611	58,104
Medicare	121,270	121,270	115,739	5,531
Workers' Compensation	208,970	208,970	24,050	184,920
Unemployment Compensation	--	2,406	2,404	2
Medical Insurance	1,627,500	1,602,625	1,340,157	262,468
Professional Memberships	22,151	22,515	14,559	7,956
Training and Education	30,769	32,223	18,829	13,394
Travel	47,659	48,743	23,233	25,510
Mileage	7,050	7,352	5,036	2,316
Supplies	1,216,337	1,220,256	1,049,617	170,639
Contract Services	1,352,447	1,372,136	1,177,874	194,262
Electric	231,400	255,563	239,068	16,495
Heat (Oil/Gas)	79,900	79,900	38,591	41,309
Water/Sewer	51,030	54,731	48,048	6,683
Telephone	139,290	142,032	133,321	8,711
Contract Repairs	131,430	131,430	93,636	37,794
Advertising	78,190	78,364	67,602	10,762
Rentals	71,306	71,306	53,748	17,558
Insurance	191,500	191,500	165,654	25,846
Materials	99,100	118,526	89,752	28,774
Capital Equipment	124,713	130,216	111,889	18,327
Land Acquisition	55,000	55,000	31,832	23,168
<i>Total Expenditures</i>	<u>15,639,444</u>	<u>15,639,444</u>	<u>14,062,666</u>	<u>1,576,778</u>

(Continued)

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

Lake Metroparks
Statement of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non-GAAP) Budgetary Basis
General Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	2,347,301	2,354,887	5,078,121	2,723,234
Other Financing Sources (Uses)				
Transfers Out	(3,150,000)	(3,150,000)	(3,150,000)	--
<i>Total Other Financing Sources (Uses)</i>	(3,150,000)	(3,150,000)	(3,150,000)	--
<i>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other (Uses)</i>	(802,699)	(795,113)	1,928,121	2,723,234
<i>Fund Balance Budget Basis - Beginning of the Year</i>	8,242,524	8,242,524	8,242,524	--
Recovery of Prior Year Encumbrances	85,078	85,078	85,078	--
<i>Fund Balance Budget Basis - End of the Year</i>	<u>\$7,524,903</u>	<u>\$7,532,489</u>	<u>\$10,255,723</u>	<u>\$2,723,234</u>

Lake Metroparks
Statement of Net Position - Proprietary Funds
December 31, 2017

	Business-type Activities	Governmental Activities
	Golf	Hospitalization - Internal Service
Assets		
Current Assets		
Cash and Cash Equivalents	\$526,105	\$1,063,562
Interest Receivable	356	242
Accounts Receivable	13,043	--
Inventories at Cost	86,025	--
Prepaid Items	14,418	--
Total Current Assets	<u>639,947</u>	<u>1,063,804</u>
Noncurrent Assets		
Net Capital Assets	7,282,767	--
Net Goodwill	37,384	--
Net Pension Asset	3,043	--
Total Noncurrent Assets	<u>7,323,194</u>	<u>--</u>
<i>Total Assets</i>	<u>7,963,141</u>	<u>1,063,804</u>
Deferred Outflows of Resources		
Pension	453,843	--
<i>Total Assets and Deferred outflows of Resources</i>	<u>\$ 8,416,984</u>	<u>\$ 1,063,804</u>
Liabilities		
Current Liabilities		
Accounts Payable	\$6,516	\$--
Claims Payable	--	137,062
Due To Other Governments	3,214	--
Accrued Liabilities	15,066	--
Accrued Wages	11,500	--
Compensated Absences Payable	33,495	--
Total Current Liabilities	<u>69,791</u>	<u>137,062</u>
Long Term Liabilities		
Long Term Compensated Absences	56,356	--
Net Pension Liability	1,161,054	--
Total Noncurrent Liabilities	<u>1,217,410</u>	<u>--</u>
<i>Total Liabilities</i>	<u>1,287,201</u>	<u>137,062</u>
Deferred Inflows of Resources		
Pension	25,072	--
Net Position		
Investment in Capital Assets and Goodwill	7,282,767	--
Unrestricted	(178,056)	926,742
<i>Total Net Position</i>	<u>7,104,711</u>	<u>926,742</u>
<i>Total Liabilities, Deferred Inflows of Resources and Net Position</i>	<u>\$8,416,984</u>	<u>\$1,063,804</u>

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

Lake Metroparks
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2017

	Business-type Activities	Governmental Activities
	Golf	Hospitalization - Internal Service
Operating Revenues		
Billings to Departments	\$--	\$1,439,177
Charges for Services	1,235,130	81,173
Contributions	4,650	--
Miscellaneous	934	--
<i>Total Operating Revenues</i>	<u>1,240,714</u>	<u>1,520,350</u>
Operating Expenses		
Salaries	623,512	--
Fringes	328,064	--
Commodities	261,598	--
Contractual Services	303,567	--
Claims	--	1,039,334
Premiums	--	331,261
Depreciation	476,414	--
Amortization	7,008	--
<i>Total Operating Expenses</i>	<u>2,000,163</u>	<u>1,370,595</u>
<i>Operating (Loss)</i>	<u>(759,449)</u>	<u>149,755</u>
Non-Operating Revenues		
Intergovernmental	110,505	--
Interest	4,311	2,309
<i>Total Non-Operating Revenues</i>	<u>114,816</u>	<u>2,309</u>
Income (Loss) before Transfers	(644,633)	152,064
Transfers In	<u>550,000</u>	<u>--</u>
<i>Change in Net Position</i>	(94,633)	152,064
<i>Total Net Position - Beginning of the Year</i>	<u>7,199,344</u>	<u>774,678</u>
<i>Total Net Position - End of the Year</i>	<u>\$7,104,711</u>	<u>\$926,742</u>

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

Lake Metroparks
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2017

	Business-type Activity	Governmental Activity
	Golf	Hospitalization - Internal Service
Cash Flows from Operating Activities		
Cash Received for Premiums within the Park District	\$--	\$1,439,177
Cash Received from Charges for Services	1,240,838	81,173
Cash Paid to Employees for Services	(816,566)	--
Cash Paid for Operating Contracts and Supplies	(586,237)	--
Cash Paid for Claims and Premiums	--	(1,337,431)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(161,965)</u>	<u>182,919</u>
Cash Flows from Capital and Related Financing Activities		
Payment for Capital Acquisitions	(428,709)	--
Intergovernmental	110,505	--
Transfers In	550,000	--
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>231,796</u>	<u>--</u>
Cash Flows from Investing Activities		
Interest Received	4,107	2,170
<i>Net Cash Provided by Investing Activities</i>	<u>4,107</u>	<u>2,170</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	73,938	185,089
<i>Cash and Cash Equivalents at the Beginning of the Year</i>	452,167	878,473
<i>Cash and Cash Equivalents at the End of the Year</i>	<u>\$526,105</u>	<u>\$1,063,562</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities		
Operating Income (Loss)	(\$759,449)	\$149,755
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation	476,414	--
Amortization	7,008	--
Current Assets (Increase) Decrease:		
Accounts Receivable	(3,874)	--
Inventories	(5,000)	--
Prepaid Items	175	--
Net Pension	(897)	--
Deferred Outflows	(77,661)	--
Decrease (Increase) in Current Assets	<u>(87,257)</u>	<u>--</u>
Current Liabilities Increase (Decrease):		
Accounts Payable	(16,844)	--
Due To Other Governments	(263)	--
Accrued Liabilities	4,407	--
Accrued Wages	2,242	--
Compensated Absences Payable	(1,605)	--
Net Pension Liability	208,254	--
Increase in Current Liabilities	<u>196,191</u>	<u>--</u>
Long-term Compensated Absences Payable	(430)	--
Deferred Inflows Pension	5,558	--
Increase (Decrease) in Claims Payables	<u>--</u>	<u>33,164</u>
Total Adjustments	<u>597,484</u>	<u>33,164</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(\$161,965)</u>	<u>\$182,919</u>

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

Lake Metroparks
Statement of Fiduciary Net Position
Agency Funds
December 31, 2017

Assets

Restricted Cash and Cash Equivalents	\$251,892
<i>Total Assets</i>	<u>\$251,892</u>

Liabilities

Payable From Restricted Assets	\$38,120
Retainage Due Contractors	213,772
<i>Total Liabilities</i>	<u>\$251,892</u>

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

Notes to Basic Financial Statements for the Year Ended December 31, 2017 Lake Metroparks, Ohio

Note 1. Summary of Significant Accounting Policies

A. **Description of Lake Metroparks.** Lake Metroparks was created December 30, 1958 under the authority of Chapter 1545 of the Ohio Revised Code. The Ohio Revised Code indicates the Park District was created for the purpose of conserving the natural resources of the State. The Ohio Revised Code also provides for a Board of Park Commissioners, which has the authority to develop the Park District lands in a manner conducive to the general welfare of the community. The legislative power of the Park District is vested in the Board of Park Commissioners. The Board of Park Commissioners consists of three members who are appointed by the Judge of the Lake County Probate Court and serve without pay for three-year alternating terms. Appointments or reappointments are made each year. The first Board of Park Commissioners took office on May 11, 1959. During the first session each year, the Board of Park Commissioners elects one of the three members as president and the other two as vice presidents. The Board of Park Commissioners have passed the following Park District's mission statement: "The mission of Lake Metroparks is to conserve and preserve the natural resources of Lake County while providing a variety of safe, affordable and enjoyable educational and recreational programs and activities that enhance the quality of life in Lake County now and for the generations to follow". The Board of Park Commissioners appoints an Executive Director who is the chief executive officer of the Park District. The Executive Director is responsible for executing the policy of the Board of Park Commissioners and is authorized to establish administrative procedures as he/she deems necessary. The Park District consists of just over 9,166 acres; 7,819 owned acres, 789 leased acres of park land, 551 acres of conservation easements and 7 acres of life estates with 37 parks and 9 natural preserves ranging in size from approximately one acre to 960 acres. Listed below are the names and locations of the parks.

Arcola Creek Park -- Lake Road, Madison Twp.

Baker Road Park -- Baker Road, Leroy Twp.

Beaty Landing -- Walnut Street, Painesville

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

Blair Road Park -- Blair Road, Perry Twp.

Chagrin River Park -- Reeves Road, Willoughby/Eastlake

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

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

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

Environmental Learning Center -- Alexander Road, Concord

Erie Shores Golf Course -- Lake Road East, Madison

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

Farmpark -- Rt. 6, Kirtland

Girdled Road Reservation -- Radcliffe Road, Concord Twp.

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

Greenway Corridor -- B&O Rail Corridor

Gully Brook -- River Road, Willoughby

Helen Hazen Wyman Park -- Rt. 86, Painesville

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

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

Related Organizations

Lake County - The Park District is considered a related organization to Lake County. This decision was based on the fact the Board of Park Commissioners are appointed by the Probate Judge of Lake County, but Lake County cannot impose its will on the Park District in any manner, nor does there exist any financial benefit or burden relationship between the Park District and Lake County.

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

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

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

General Fund - The General Fund is the general operating fund of the Park District. It is used to account for all financial resources except those required to be accounted for in another fund.

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

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

E. Proprietary Funds.

Enterprise Fund - The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Park District operates two golf facilities within this fund.

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

F. Fiduciary Fund.

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

G. Presentation of Financial Statements.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Park District, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2017, but which were levied to finance fiscal year 2018 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the Park District, unavailable revenue includes delinquent property taxes and intergovernmental revenue. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 4)

H. Pooled Cash and Cash Equivalents. Cash balances of certain Park District funds are pooled and invested. Each fund's interest in the pool is presented as "Cash and Cash Equivalents" on the balance sheet. During 2017, investments were limited to STAR Ohio, STAR Plus and certificates of deposit. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the state to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but has adopted Governmental Accounting Standards Board (GASB), Statement No.79 "Certain External Investment Pool Participants". The Park District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. For 2017, there were no limitation or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes. STAR Plus is a bank deposit program endorsed by the Ohio Treasurer's office that offers full FDIC insurance on local government deposits from \$500,000 to \$15 million and provides weekly liquidity. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. The Park District had no investments as of December 31, 2017 recorded at amortized cost. Interest earned from investments purchased with pooled cash is allocated to pooled funds as prescribed by Ohio law and Board policy. For the Internal Service Fund (Hospitalization) and Enterprise Fund (Golf), as noted on the *Statement of Cash Flows*, all restricted cash and cash equivalents with an original

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

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

- J. Prepaid Items.** Prepaid items represent payments made by the Park District for maintenance agreements and insurance that will benefit periods beyond December 31, 2017. Payments made to vendors for services that will benefit periods beyond the current year, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which the services are consumed. Recorded prepaids in governmental fund types are equally offset in a nonspendable fund balance which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

- K. Capital Assets.** Governmental-type capital assets include land, buildings, furniture and fixtures, livestock, machinery and equipment, vehicles, construction in progress, leasehold improvements and infrastructure owned by the Park District and are stated at historical or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession agreements should be reported at acquisition value rather than fair value. The Park District’s threshold for capitalization of assets is \$500 and a lifetime of at least two years.

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

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

Capital assets for the business-type activities (Enterprise Fund) are recorded at historical cost. Depreciation is charged as an expense against operations and capital assets are recorded net of accumulated depreciation on the *Statement of Net Position*. See Note 6B for accumulated depreciation by asset class.

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

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

L. Compensated Absences.

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

Vacation - Accumulated unpaid vacation pay is accrued when earned and is normally paid in the subsequent calendar year. However, unused vacation can be carried over and accrued up to a maximum of 240 hours. The Park District accrues up to the maximum of vacation hours as long-term for each employee in the Long-term Liabilities in the *Statement of Net Position*. A liability of \$348,012 and \$33,803 in the governmental and business type activities respectively, are included.

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

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

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

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

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

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

At December 31, 2017, the Park District recorded a liability for sick leave totaling \$953,280 and \$51,729 in the governmental and business type activities respectively, are included in accordance with GASB Statement No. 16.

Compensatory Time - All non-exempt employees may be granted compensatory time which is earned at a rate of one and one-half times the hours worked over 40 in a work week. Seasonal positions may be allowed to accumulate compensatory time for a given period of time, not to exceed 160 hours. Shown in Long-term Debt Obligation as part of Compensated Absences is \$35,300 in the governmental type activities, is included for employee accrued compensatory time as of December 31, 2017.

Personal Time - All part-time employees earn personal time at an accrual rate of .0192 per regular hour worked. The maximum accrual per calendar year would be 40 hours. Said personal time accrued by the Park District in the amounts of \$46,081 and \$4,319 in the governmental and business type activities respectively, are included.

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

M. Accrued Liabilities and Long-Term Obligations

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

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

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

Tax Budget - A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

Estimated Resources - The County Budget Commission certifies its actions to the Park District by September 1. As part of this certification, the Park District receives the official Certificate of Estimated Resources which states the projected receipts of each fund. On or about January 1, this certificate is amended to include any unencumbered fund balances from the preceding year. The Park District must then revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount stated in the amended Certificate of Estimated Resources. The revised budget then serves as the basis for the annual appropriation measure.

Appropriations - A temporary appropriation measure to control cash disbursements may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by March 31 of each year for the period January 1 to December 31.

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

The Board of Park Commissioners made various intradivision transfers which resulted in no change in the final appropriations of the Park District's funds. The Board of Park Commissioners' adjustments were made throughout 2017 and are reflected in the budgetary schedules contained in the required supplementary information. Other budgetary schedules are in supplementary information.

At the close of each fiscal year the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding year and need not be reappropriated.

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

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

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

Q. Interfund Transfers

Transfers Out:	
General Fund	<u>\$3,150,000</u>
Transfers In:	
Improvement Fund	\$2,600,000
Golf Fund (Business-type Activity)	<u>550,000</u>
Total	<u>\$3,150,000</u>

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

R. Pensions

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

Note 2. Property Tax

Property taxes include amounts levied against all real, public utility and tangible personal property located in the County. Property tax revenue received during 2017 for real and public utility property taxes represents collections of 2016 taxes. 2017 real property taxes are levied after October 1, 2017 on the assessed value as of January 1, 2017, the lien date. Assessed values are established by state law at 35 percent of appraised market value. 2016 real property taxes are collected in 2017 and intended to finance 2017. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, state statute permits later payment dates to be established. Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2016 public utility property taxes which became a lien December 31, 2016, are levied after October 1, 2017, and are collected in 2018 with real property taxes.

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

The full tax rate for all Park District operations for the year ended December 31, 2017, was \$2.80 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2016 property tax receipts were based are as follows:

General Real Estate Real/Agriculture	\$4,347,289,650
--------------------------------------	-----------------

General Real Estate-Other	1,133,164,900
Public Utility Tangible	398,760,490
Total Valuation	<u><u>\$5,879,215,040</u></u>

Property taxes estimated as of December 31, 2017 to be levied in 2018 are accrued as a receivable and offset as deferred inflows.

Note 3. Deposits and Investments

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

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

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

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

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

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

Cash on Hand - At year-end, the Park District had \$12,345 in undeposited cash on hand, which is included on the balance sheet of the Park District as part of cash and cash equivalents.

Deposits - At December 31, 2017, the Park District had the following:

	<u>Fair Value</u>	<u>Average Maturity</u>
Demand Deposits	\$3,127,040	N/A
Certificates of Deposit	1,984,000	20 Months

Custodial Credit Risk - Custodial credit risk for deposits is the risk that in the event of bank failure, the Park District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$3,143,731 of the Park District’s bank balance of \$3,397,231 was uninsured and uncollateralized. Although the collateral/securities were held by the pledging institutions’ trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Park District to a successful claim by the F.D.I.C.

The Park District has no deposit policy for custodial risk beyond the requirement of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Park District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured. Effective July 1, 2017, the Ohio Pooled Collateral System (OPCS) was implemented by the Office of the Ohio Treasurer of State. Financial Institutions can elect to participate in the OPCS and will collateralize at one hundred two percent or a rate set by the Treasurer of State. Financial institution opting not to participate in the OPCS will collateralize utilizing the specific pledge method at one hundred five percent.

Investments - STAR Ohio is measured at net asset value per share while all other investments are measured at fair value. Fair value is determined by quoted market prices and acceptable other pricing methodologies. As of December 31, 2017, the Park District had the following investments:

	<u>Fair Value</u>	<u>Average Maturity</u>
STAR Ohio	\$8,705,048	52.1 Days
STAR Ohio Plus	300,000	52.1 Days

The Park District has categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the Park District’s recurring fair value measurements as of December 31, 2017. All of the Park District’s investments measured at fair value are using quoted market prices (Level 1 inputs).

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

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

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

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

Net Pension Asset/Liability

The net pension asset/liability reported on the statement of net position represents an asset/liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—

on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

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

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

	State and Local	Law Enforcement
2017 Statutory Maximum Contribution Rates		
Employer	14.0 %	18.1 %
Employee	10.0 %	**
2017 Actual Contribution Rates		
Employer:		
Pension	13.0 %	17.1 %
Post-employment Health Care Benefits	1.0	1.0
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>13.0 %</u>

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

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

The Park District's contractually required contribution was \$1,101,729 for 2017. Of this amount, \$29,484 is reported as Due to Other Governments Payable.

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

The net pension Asset/liability for OPERS was measured as of December 31, 2016, and the total pension asset/liability used to calculate the net pension asset/liability was determined by an actuarial valuation as of that date. The Park District's proportion of the net pension asset/liability was based on the Park District's share of contributions to the pension plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and pension expense:

	Traditional Pension Plan	Combined Pension Plan	Total
Proportion of the Net Pension Liability/Asset Prior Measurement Date	0.063227%	0.050710%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	<u>0.060965%</u>	<u>0.066737%</u>	
Change in Proportionate Share	<u>-0.002262%</u>	<u>0.016027%</u>	
Proportionate Share of the Net Pension Liability/(Asset)	\$ 13,844,136	\$ (37,143)	\$ 13,806,993
Pension Expense	\$ 2,939,135	\$ 26,835	\$ 2,965,970

At December 31, 2017, the Park District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>
Deferred Outflows of Resources	
Net difference between projected and actual earnings on pension plan investments	\$2,070,771
Differences between expected and actual experience	18,765
Changes in proportion and differences between Park District contributions and proportionate share of contributions	119,751
Changes in Assumptions	2,204,896
Park District contributions subsequent to the measurement date	<u>1,101,729</u>
Total Deferred Outflows of Resources	<u><u>\$5,515,912</u></u>
Deferred Inflows of Resources	
Differences between expected and actual experience	\$101,365
Changes in proportion and differences between Park District contributions and proportionate share of contributions	<u>200,143</u>
Total Deferred Inflows of Resources	<u><u>\$301,508</u></u>

\$1,101,729 reported as deferred outflows of resources related to pension resulting from Park District contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/liability in the year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	<u>OPERS</u>
2018	\$1,741,178
2019	1,717,401
2020	725,366
2021	(63,281)
2022	(2,508)
Thereafter	<u>(5,481)</u>
Total	<u><u>\$4,112,675</u></u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension asset/liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the

measurement in accordance with the requirements of GASB 67. In 2016, the Board of Trustees' actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical view and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0 percent down to 7.5 percent, for the defined benefit investments. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Traditional Plan:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 to 10.75 percent including wage inflation Pre 1/7/2013 retirees; 3 percent, simple through 2018, then 2.15% simple
Investment Rate of Return	7.5 percent
Actuarial Cost Method	Individual Entry Age

Combined Plan:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 to 8.25 percent including wage inflation Pre 1/7/2013 retirees; 3 percent, simple through 2018, then 2.15% simple
Investment Rate of Return	7.5 percent
Actuarial Cost Method	Individual Entry Age

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables. The most recent experience study was completed for the five year period ended December 31, 2015.

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

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment

expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3% for 2016. The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2016 and the long-term expected real rates of return:

Asset Class	Target Allocation	Long Term Expected Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.75 %
Domestic Equities	20.70	6.34
Real Estate	10.00	4.75
Private Equity	10.00	8.97
International Equities	18.30	7.95
Other investments	18.00	4.92
Total	100.00 %	5.66 %

Discount Rate The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Park District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the Park District’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.5 percent, as well as what the Park District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Park District’s proportionate share of the net pension liability	\$21,152,647	\$13,806,993	\$7,687,896

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

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional

Pension and the Combined plans. This 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 refund, Member-Directed Plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2017 CAFR for details.

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2017, state and local employers contributed at a rate of 14.00 percent of earnable salary and public safety and law enforcement employers contributed at 18.10 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund the OPEB Plan.

OPERS' Post-Employment Health Care Plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0 percent during calendar year 2017. Effective January 1, 2018, the portion of employer contributions allocated to health care decreased to 0 percent for both plans, as recommended by OPERS' actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited for Member-Directed Plan participants for 2017 was 4.0%. The Park District's contributions allocated to fund post-employment health care benefits for regular employees for the years ended December 31, 2017, 2016, and 2015 were \$75,850, \$145,054, and \$148,260 respectively; 65 percent was contributed for 2017 with the balance being reported as due to other governments payable, while 100 percent was contributed for 2016 and 2015. The Park District's contributions allocated to fund post-employment health care benefits for law enforcement employees for the years ended December 31, 2017, 2016, and 2015 were \$6,765, \$13,369, and \$14,080 respectively; 96 percent was contributed for 2017 with the balance being reported as due to other governments payable, while 100 percent was contributed for 2016 and 2015.

Note 6. Capital Assets

A. Capital Assets – Governmental Activities. Changes in capital assets during the year ended December 31, 2017 are as follows.

Class	Balance December 31,			Balance December 31,			Less Accumulated Depreciation	Net Book Value
	2016	Additions	Deletions	2017				
Non Depreciated Assets:								
Land	\$ 36,657,499	\$ 603,442	\$ -	\$ 37,260,941	\$ -	\$ 37,260,941		
Livestock	33,700	8,100	1,200	40,600	-	40,600		
Construction in Progress	605,579	-	605,579	-	-	-		
Total Non-depreciable Assets	\$ 37,296,778	\$ 611,542	\$ 606,779	\$ 37,301,541	\$ -	\$ 37,301,541		
Depreciated Assets:								
Buidings	15,617,469	1,012,588	60,864	16,569,193	6,929,536	9,639,657		
Machinery/Equipment	4,924,569	419,928	186,320	5,158,177	2,880,568	2,277,609		
Vehicles	3,326,592	238,283	119,335	3,445,540	2,285,674	1,159,866		
Furniture/Fixtures	1,344,146	104,147	8,480	1,439,813	1,011,693	428,120		
Lease Hold Improvements	2,622,591	2,197,348	-	4,819,939	1,210,863	3,609,076		
Infrastructure	12,557,441	882,299	-	13,439,740	5,768,144	7,671,596		
Total Depreciated Assets	\$ 40,392,808	\$ 4,854,593	\$ 374,999	\$ 44,872,402	\$ 20,086,478	\$ 24,785,924		
Total Capital Assets	\$ 77,689,586	\$ 5,466,135	\$ 981,778	\$ 82,173,943		\$ 62,087,465		

Capital Assets – Business-type Activities. Changes in Golf Fund capital assets during the year ended December 31, 2017 are as follows.

Class	Balance December 31,			Balance December 31,			Less Accumulated Depreciation	Net Book Value
	2016	Additions	Deletions	2017				
Non Depreciated Assets:								
Land	\$ 2,713,556	\$ -	\$ -	\$ 2,713,556	\$ -	\$ 2,713,556		
Total Non-depreciable Assets	\$ 2,713,556	\$ -	\$ -	\$ 2,713,556	\$ -	\$ 2,713,556		
Depreciated Assets:								
Buidings	4,611,841	90,222	20,314	4,681,749	2,469,736	2,212,013		
Machinery/Equipment	1,488,944	32,389	28,049	1,493,284	1,158,548	334,736		
Vehicles	691,169	51,918	11,200	731,887	382,484	349,403		
Furniture/Fixtures	226,786	4,935	9,115	222,606	188,191	34,415		
Land Improvements	4,321,972	257,568	197,740	4,381,800	2,743,156	1,638,644		
Total Depreciated Assets	\$ 11,340,712	\$ 437,032	\$ 266,418	\$ 11,511,326	\$ 6,942,115	\$ 4,569,211		
Total Capital Assets	\$ 14,054,268	\$ 437,032	\$ 266,418	\$ 14,224,882	\$ 6,942,115	\$ 7,282,767		

B. Changes in Accumulated Depreciation – Governmental Activities for the year ended December 31, 2017. Governmental activities depreciation is charged to Parks and Recreation.

Class	Accumulated Depreciation December 31,			Accumulated Depreciation December 31,	
	2016	Additions	Deletions	2017	
Buildings	\$ 6,452,086	\$ 530,990	\$ 53,540	\$ 6,929,536	
Machinery/Equipment	2,727,655	337,732	184,819	2,880,568	
Vehicles	2,182,213	215,495	112,034	2,285,674	
Furniture/Fixtures	950,479	68,347	7,133	1,011,693	
Leasehold Improvements	1,029,157	181,706	-	1,210,863	
Infrastructure	5,161,761	606,383	-	5,768,144	
Total Accumulated Depreciation	\$ 18,503,351	\$ 1,940,653	\$ 357,526	\$ 20,086,478	

Changes in Accumulated Depreciation – Business-type Activities for the year ended December 31, 2017. Business-type activities depreciation is charged to Golf.

Class	Accumulated Depreciation December 31,			Accumulated Depreciation December 31,	
	2016	Additions	Deletions	2017	
Buildings	\$ 2,317,276	\$ 171,758	\$ 19,298	\$ 2,469,736	
Machinery/Equipment	1,124,415	58,490	24,357	1,158,548	
Vehicles	341,223	54,436	13,175	382,484	
Furniture/Fixtures	191,478	5,828	9,115	188,191	
Land Improvements	2,754,994	185,902	197,740	2,743,156	
Total Accumulated Depreciation	\$ 6,729,386	\$ 476,414	\$ 263,685	\$ 6,942,115	

Note 7. Long-Term Debt Obligations

A. Changes in Long-term Liabilities. During the year ended December 31, 2017, the following changes occurred in liabilities reported in long-term liabilities governmental activities and business-type activities. The General Fund is the governmental fund type that has been used to liquidate compensated absences.

Governmental Activities Long-Term Obligations	December 31,			December 31, 2017	Due Within One Year
	2016	Additions	Deletions		
Compensated Absences	\$ 1,329,542	\$ 766,109	\$ 807,368	\$ 1,288,283	\$ 635,805
Net Pension Liability - OPERS	9,998,913	2,684,169	-	12,683,082	-
Total Governmental Activities	\$ 11,328,455	\$ 3,450,278	\$ 807,368	\$ 13,971,365	\$ 635,805
Business Type Activities Long-Term Obligations					
Compensated Absences	\$ 91,886	\$ 23,295	\$ 25,330	\$ 89,851	\$ 33,495
Net Pension Liability - OPERS	952,800	208,254	-	1,161,054	-
Total Business Type Activities	\$ 1,044,686	\$ 231,549	\$ 25,330	\$ 1,250,905	\$ 33,495

Note 8. Commitments and Contingencies

At December 31, 2017, the Park District had the following significant encumbrances:

<u>Improvement Fund</u>	
PG Meadow Loop Paving	\$12,107
Park-wide Aggregate	80,199
LE Stairs Construction	<u>55,242</u>
Total Improvement Fund	<u><u>\$147,548</u></u>

Note 9. Goodwill

On May 1, 1993, the Park District purchased the Pine Ridge Country Club for \$2,700,000. At that time the fair market value of the asset was \$2,489,750. Therefore, \$210,250 was recorded as Goodwill. Goodwill is being amortized on a straight-line basis over 30 years. Goodwill charged in 2017 was \$7,008. As of December 31, 2017, the Goodwill balance was \$37,384. The amortization schedule is shown below:

<u>Year</u>	<u>Amount Amortized</u>
2018	\$7,008
2019	7,008
2020	7,008
2021	7,008
2022-2023	<u>9,352</u>
Total	<u><u>\$37,384</u></u>

Note 10. Risk Management

The Park District is exposed to various risks of loss related to torts, theft of damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. During 2017, the Park District contracted with several companies for various types of insurance as follows:

<u>Carrier</u>	<u>Coverage</u>	<u>Deductible</u>
Selective Insurance Companies	Property and Inland Marine	\$25,000
Selective Insurance Companies	Liquor and General Liability	25,000
Selective Insurance Companies	General Liability Umbrella	N/A
Selective Insurance Companies	Automobile	25,000
Scottsdale Indemnity Company	Law Enforcement	25,000
Scottsdale Indemnity Company	Public Officials Liability	25,000
National Union Fire Insurance	Volunteer Insurance	None
Travelers Insurance	Crime	Various

Settled claims have not exceeded this coverage in any of the past three years. The Park District pays the State Workers' Compensation system a premium based on a rate per \$100 of salary. This rate is calculated based on accident history and administrative costs. The Park District manages the hospital/medical, dental, and vision for its employees on a self-insured basis through the hospitalization self-insurance Internal Service Fund. Payments to the fund are made from the fund from which each employee is paid. Rates for 2017 were \$1,436 for family coverage and \$449 for single coverage. Five percent was paid by the employees. These rates were determined to maintain the balance in the Internal Service Fund to required levels. Medical Mutual of Ohio, the third party administrator, processes and pays the claims. An excess coverage insurance (stop-loss) policy purchased from Medical Mutual of Ohio covers claims in excess of \$85,000 per individual and total aggregate excess of 125 percent of expected claims.

The claims liability of \$137,062 in the fund at December 31, 2017 was enumerated by the third party administrator and is based on the requirements of the Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and did not include other allocated or unallocated claim adjustment expenses. Changes in the fund's claims liability amount in 2015, 2016 and 2017 were:

	Beginning of Year	Current Year Claims	Current Payments	End of Year Balance
2015	\$ 240,342	\$ 740,127	\$ 881,484	\$ 98,985
2016	\$ 98,985	\$ 937,453	\$ 932,540	\$ 103,898
2017	\$ 103,898	\$ 1,072,498	\$ 1,039,334	\$ 137,062

The claims payable balance of \$137,062 will be paid within one year.

Note 11. Litigation

The Park District presently has no ongoing litigation.

Note 12. Budgetary Basis of Accounting

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

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

Listed below is a reconciliation of the results of operations for the year ended December 31, 2017 from the modified accrual basis to the budgetary basis.

	General Fund
Net Change in Funds as reported - modified accrual basis	\$ 1,769,861
Decrease (increase) in receivables and prepaid items	205,339
Increase (decrease) in accounts payable, due to other governments, accrued liabilities accrued wages, deferred inflows and matured compensated absences	(10,130)
2017 Change in the Fair Value of Investments	(5,119)
Prior Year Change in the Fair Value of Investments	3,964
2017 encumbrances recognized as expenditures on a budgetary basis	(192,082)
Prior year encumbrances paid in 2017 not recognized budgetary basis	156,288
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other (Uses) as reported - budgetary basis	<u>\$ 1,928,121</u>

Note 13. Fund Balance

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

Fund Balance	General Fund	Improvement Fund	Drug Enforcement Fund
Non-Spendable for:			
Prepaid Items	\$ 148,742	\$ 10,379	
Materials and Supplies Inventory	222,030		
Total Non-Spendable	\$ 370,772	\$ 10,379	\$ -
Restricted for:			
Drug Enforcement			\$ 19,214
Total Restricted	\$ -	\$ -	\$ 19,214
Committed to:			
Capital Improvements		\$ 147,548	
Total Committed	\$ -	\$ 147,548	\$ -
Assigned for:			
Unpaid Obligations	\$ 42,030	\$ 1,443,441	
Unassigned	9,948,484		
Total Assigned	\$ 9,990,514	\$ 1,443,441	\$ -
Total Fund Balance	\$ 10,361,286	\$ 1,601,368	\$ 19,214

Note 14. Change in Accounting Principle

For 2017, the Park District implemented GASB's *Implementation Guide No. 2016-1*. These changes were incorporated in the Park District's 2017 financial statements; however, there was no effect on beginning net position/fund balance.

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Park District's Proportion of the Net Pension Liability - Traditional Plan	0.060965%	0.063227%	0.0603287%	0.0603287%
Park District's Proportion of the Net Pension Liability - Combined Plan	0.066737%	0.050710%	0.0045182%	0.0045182%
Park District's Proportionate Share of the Net Pension Liability - Traditional Plan	\$ 13,844,136	\$ 10,951,713	\$ 7,288,879	\$ 7,124,248
Park District's Proportionate Share of the Net Pension Asset - Combined Plan	\$ 37,143	\$ 24,676	\$ 17,396	\$ 4,740
Park District's Covered-Employee Payroll	\$ 8,153,402	\$ 8,286,134	\$ 7,580,179	\$ 7,391,688
Park District's Proportionate Share of the Net Pension as of Liability as a Percentage of its Covered-Employee Payroll - Traditional Plan	169.80%	132.17%	96.16%	96.38%
Park District's Proportionate Share of the Net Pension as of Liability as a Percentage of its Covered-Employee Payroll - Combined Plan	0.46%	0.30%	0.23%	0.06%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability - Traditional Plan	77.25%	81.08%	86.45%	86.36%
Plan Fiduciary Net Position as a Percentage of the Total Pension - Combined Plan	116.55%	116.90%	114.83%	104.56%

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

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

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contributor	\$ 1,101,729	\$ 985,159	\$ 1,003,318	\$ 912,002	\$ 884,668
Contributions in Relation to the Contractually Required Contribution	\$ (1,101,729)	\$ (985,159)	\$ (1,003,318)	\$ (912,002)	\$ (884,668)
Contributions Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Park District Covered Payroll	\$ 8,657,657	\$ 8,543,524	\$ 8,575,726	\$ 7,763,117	\$ 7,569,322
Contributions as a Percentage of Covered-Employee Payroll	12.73%	11.53%	11.70%	11.75%	11.69%

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

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Property Tax	\$13,682,730	\$13,694,898	\$14,562,609	\$867,711
Intergovernmental	2,125,615	2,129,894	2,039,557	(90,337)
Fees and Admissions	1,554,300	1,554,300	1,814,284	259,984
Merchandise Sales	405,900	405,900	436,183	30,283
Interest	25,000	25,000	71,030	46,030
Fines and Forfeitures	3,000	3,000	2,493	(507)
Contribution	118,900	118,900	148,459	29,559
Miscellaneous	71,300	62,439	66,172	3,733
<i>Total Revenues</i>	<u>17,986,745</u>	<u>17,994,331</u>	<u>19,140,787</u>	<u>1,146,456</u>
Expenditures				
Executive Division				
Salaries	352,960	352,960	348,389	4,571
OPERS	49,380	49,380	48,724	656
Medicare	5,130	5,130	5,047	83
Workers' Compensation	8,820	8,820	1,022	7,798
Medical Insurance	38,600	38,600	21,315	17,285
Professional Memberships	6,400	6,400	4,768	1,632
Travel	2,750	2,750	1,003	1,747
Mileage	2,300	2,300	1,367	933
Supplies	2,950	2,950	1,755	1,195
Contract Services	117,100	117,100	49,575	67,525
Telephone	2,920	2,920	2,905	15
Advertising	1,000	1,000	113	887
Capital	1,700	1,700	--	1,700
<i>Total Executive Division</i>	<u>592,010</u>	<u>592,010</u>	<u>485,983</u>	<u>106,027</u>
Registration Division				
Salaries	169,410	169,410	158,046	11,364
OPERS	23,720	23,720	22,126	1,594
Medicare	2,460	2,460	2,292	168
Workers' Compensation	4,240	4,240	484	3,756
Medical Insurance	50,000	50,000	32,479	17,521
Travel	100	100	--	100
Supplies	525	525	176	349
Contract Services	12,783	12,783	7,473	5,310
Telephone	3,490	3,490	3,486	4
Capital Equipment	1,400	1,400	788	612
<i>Total Registration Division</i>	<u>268,128</u>	<u>268,128</u>	<u>227,350</u>	<u>40,778</u>

(Continued)

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Administrative Services Division				
Salaries	755,620	749,906	576,724	173,182
OPERS	83,830	83,830	76,872	6,958
Medicare	8,710	8,710	8,340	370
Workers' Compensation	14,980	14,980	1,721	13,259
Medical Insurance	142,800	142,800	103,672	39,128
Professional Memberships	3,300	3,300	1,564	1,736
Training and Education	9,969	9,969	4,602	5,367
Travel	17,194	17,194	5,863	11,331
Mileage	1,950	2,161	2,160	1
Supplies	50,515	50,515	29,036	21,479
Contract Services	377,585	377,585	347,961	29,624
Telephone	7,580	7,580	7,553	27
Advertising	17,000	17,000	8,582	8,418
Rentals	1,516	1,516	1,428	88
Insurance	191,500	191,500	165,654	25,846
Capital Equipment	2,050	7,553	7,553	--
Land Acquisition	55,000	55,000	31,832	23,168
Total Administrative Services Division	1,741,099	1,741,099	1,381,117	359,982
Marketing Division				
Salaries	395,410	395,143	362,913	32,230
OPERS	55,210	55,210	49,783	5,427
Medicare	5,730	5,730	5,248	482
Workers' Compensation	9,870	9,870	1,136	8,734
Medical Insurance	93,800	93,800	87,256	6,544
Professional Memberships	6,165	6,165	4,792	1,373
Training and Education	4,700	4,700	80	4,620
Travel	4,410	4,410	1,125	3,285
Mileage	650	650	31	619
Supplies	17,358	17,358	13,129	4,229
Contract Services	214,361	214,361	187,533	26,828
Electric	2,000	2,267	2,266	1
Heat (Oil/Gas)	1,000	1,000	460	540
Water/Sewer	380	380	64	316
Telephone	6,260	6,260	6,178	82
Contract Repairs	200	200	151	49
Advertising	15,600	15,600	14,950	650
Rentals	1,500	1,500	510	990
Total Marketing Division	834,604	834,604	737,605	96,999

(Continued)

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Interpretive Services Division				
Salaries	928,060	892,917	891,920	997
OPERS	129,540	127,475	123,954	3,521
Medicare	13,430	13,430	12,887	543
Workers' Compensation	23,140	23,140	2,657	20,483
Unemployment Compensation	--	--	--	--
Medical Insurance	137,500	137,500	89,098	48,402
Professional Memberships	800	1,103	1,103	--
Training and Education	2,400	2,400	2,143	257
Travel	4,050	5,134	5,134	--
Mileage	100	191	190	1
Supplies	118,810	122,729	122,728	1
Contract Services	68,207	69,909	69,908	1
Electric	38,000	46,784	46,783	1
Heat (Oil/Gas)	10,000	10,000	7,432	2,568
Water/Sewer	5,500	7,278	7,278	--
Telephone	29,570	29,570	24,975	4,595
Contract Repairs	15,000	15,000	13,679	1,321
Advertising	1,750	1,871	1,871	--
Rentals	1,150	1,150	714	436
Materials	6,800	26,226	26,226	--
Capital Equipment	12,500	12,500	8,885	3,615
Total Interpretive Services Division	1,546,307	1,546,307	1,459,565	86,742
Park Operations Division				
Salaries	1,714,030	1,711,664	1,674,071	37,593
OPERS	238,560	238,560	232,787	5,773
Medicare	24,710	24,710	24,125	585
Workers' Compensation	42,600	42,600	5,140	37,460
Unemployment Compensation	--	1,953	1,952	1
Medical Insurance	371,800	371,800	342,734	29,066
Professional Memberships	1,000	1,061	1,061	--
Training and Education	2,000	2,000	845	1,155
Travel	2,350	2,350	481	1,869
Supplies	438,750	438,750	341,436	97,314
Contract Services	122,425	122,425	90,135	32,290
Electric	83,400	83,400	73,239	10,161
Heat (Oil/Gas)	26,500	26,500	7,578	18,922
Water/Sewer	17,500	17,852	17,852	--
Telephone	10,710	10,710	9,536	1,174
Contract Repairs	54,000	54,000	35,164	18,836
Rentals	48,000	48,000	36,300	11,700
Materials	48,100	48,100	27,354	20,746
Capital Equipment	9,000	9,000	8,920	80
Total Park Operations Division	3,255,435	3,255,435	2,930,710	324,725

(Continued)

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Park Planning Division				
Salaries	713,900	712,081	707,709	4,372
OPERS	99,700	99,700	96,600	3,100
Medicare	10,330	10,330	10,226	104
Workers' Compensation	17,810	17,810	2,036	15,774
Medical Insurance	187,600	187,600	160,915	26,685
Professional Memberships	2,400	2,400	511	1,889
Training and Education	1,450	1,450	1,182	268
Travel	5,685	5,685	3,692	1,993
Mileage	50	50	26	24
Supplies	13,450	13,450	12,038	1,412
Contract Services	44,385	44,385	40,555	3,830
Telephone	23,490	25,309	25,309	--
Materials	18,000	18,000	16,561	1,439
Capital Equipment	500	500	203	297
Total Park Planning Division	1,138,750	1,138,750	1,077,563	61,187
Outdoor Education Division				
Salaries	1,011,565	1,010,447	909,847	100,600
OPERS	141,080	141,080	126,549	14,531
Medicare	14,630	14,630	12,342	2,288
Workers' Compensation	25,200	25,200	2,898	22,302
Unemployment Compensation	--	195	194	1
Medical Insurance	170,900	170,900	134,757	36,143
Professional Memberships	690	690	159	531
Training and Education	3,100	3,100	2,133	967
Travel	6,470	6,470	3,874	2,596
Mileage	1,900	1,900	1,261	639
Supplies	162,650	162,650	149,729	12,921
Contract Services	108,225	108,225	100,799	7,426
Electric	36,000	36,000	29,668	6,332
Heat (Oil/Gas)	10,400	10,400	4,474	5,926
Water/Sewer	13,650	13,650	7,285	6,365
Telephone	19,970	20,893	20,893	--
Contract Repairs	26,200	26,200	20,497	5,703
Advertising	1,000	1,000	534	466
Rentals	10,340	10,340	7,457	2,883
Materials	1,400	1,400	1,016	384
Capital Equipment	52,920	52,920	45,955	6,965
Total Outdoor Education Division	1,818,290	1,818,290	1,582,321	235,969

(Continued)

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive
Ranger Division				
Salaries	1,032,527	1,031,073	979,896	51,177
OPERS	173,200	173,200	161,712	11,488
Medicare	14,740	14,740	13,989	751
Workers' Compensation	25,410	25,410	2,672	22,738
Medical Insurance	141,700	141,700	136,500	5,200
Training and Education	4,900	6,354	6,354	--
Travel	3,600	3,600	1,694	1,906
Mileage	--	--	--	--
Supplies	30,319	30,319	21,520	8,799
Contract Services	143,502	143,502	122,465	21,037
Telephone	12,470	12,470	11,215	1,255
Contract Repairs	9,880	9,880	4,165	5,715
Advertising	340	340	--	340
Rentals	150	150	--	150
Materials	--	--	--	--
Capital Equipment	11,743	11,743	11,070	673
Total Ranger Division	1,605,356	1,605,356	1,473,532	131,824
Farmpark Division				
Salaries	1,478,170	1,468,064	1,467,901	163
OPERS	206,560	206,560	201,504	5,056
Medicare	21,400	21,400	21,243	157
Workers' Compensation	36,900	36,900	4,284	32,616
Unemployment Compensation	--	258	257	1
Medical Insurance	292,800	267,925	231,430	36,495
Professional Memberships	521	521	321	200
Training and Education	2,250	2,250	1,490	760
Travel	1,050	1,050	367	683
Mileage	100	100	--	100
Supplies	381,010	381,010	358,070	22,940
Contract Services	143,874	161,861	161,469	392
Electric	72,000	87,112	87,111	1
Heat (Oil/Gas)	32,000	32,000	18,648	13,352
Water/Sewer	14,000	15,571	15,570	1
Telephone	22,830	22,830	21,272	1,558
Contract Repairs	26,150	26,150	19,980	6,170
Advertising	41,500	41,553	41,553	--
Rentals	8,650	8,650	7,339	1,311
Materials	24,800	24,800	18,595	6,205
Capital Equipment	32,900	32,900	28,516	4,384
Total Farmpark Division	2,839,465	2,839,465	2,706,920	132,545
Total General Fund Expenditures	15,639,444	15,639,444	14,062,666	1,576,778
Excess (Deficiency) of Revenues Over Expenditures	2,347,301	2,354,887	5,078,121	2,723,234

(Continued)

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive
Other Financing Sources (Uses)				
Transfer Out	(3,150,000)	(3,150,000)	(3,150,000)	--
<i>Total Other Financing Sources (Uses)</i>	<u>(3,150,000)</u>	<u>(3,150,000)</u>	<u>(3,150,000)</u>	<u>--</u>
<i>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other (Uses)</i>	(802,699)	(795,113)	1,928,121	2,723,234
<i>Fund Balance Budget Basis - Beginning of the Year</i>	8,242,524	8,242,524	8,242,524	--
Recovery of Prior Year Encumbrances	<u>85,078</u>	<u>85,078</u>	<u>85,078</u>	<u>--</u>
<i>Fund Balance Budget Basis - End of the Year</i>	<u>\$7,524,903</u>	<u>\$7,532,489</u>	<u>\$10,255,723</u>	<u>\$2,723,234</u>

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non-GAAP) Budgetary Basis
Improvement Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Intergovernmental	\$--	\$597,000	\$567,761	(\$29,239)
Interest	2,500	2,500	15,917	13,417
Contributions	60,000	60,000	62,769	2,769
Miscellaneous	20,000	20,000	69,121	49,121
<i>Total Revenues</i>	<u>82,500</u>	<u>679,500</u>	<u>715,568</u>	<u>36,068</u>
Expenditures				
Construction	2,350,000	2,350,000	2,264,398	85,602
Capital Equipment	428,000	428,000	417,391	10,609
Land Acquisition	672,500	672,500	230,529	441,971
<i>Total Expenditures</i>	<u>3,450,500</u>	<u>3,450,500</u>	<u>2,912,318</u>	<u>538,182</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	(3,368,000)	(2,771,000)	(2,196,750)	574,250
Other Financing Sources (Uses)				
Transfers In	2,600,000	2,600,000	2,600,000	--
<i>Total Other Financing Sources (Uses)</i>	<u>2,600,000</u>	<u>2,600,000</u>	<u>2,600,000</u>	<u>--</u>
<i>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other (Uses)</i>	(768,000)	(171,000)	403,250	574,250
<i>Fund Balance Budget Basis - Beginning of the Year</i>	605,676	605,676	605,676	--
Recovery of Prior Year Encumbrances	212,503	212,503	212,503	--
<i>Fund Balance Budget Basis - End of the Year</i>	<u>\$50,179</u>	<u>\$647,179</u>	<u>\$1,221,429</u>	<u>\$574,250</u>

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non-GAAP) Budgetary Basis
Drug Enforcement Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Fines and Forfeitures	\$2,000	\$2,000	\$7,015	\$5,015
Interest	10	10	106	96
<i>Total Revenues</i>	<u>2,010</u>	<u>2,010</u>	<u>7,121</u>	<u>5,111</u>
Expenditures				
Supplies	500	500	--	500
Contracts	1,000	1,000	--	1,000
Capital Equipment	3,000	3,000	1,342	1,658
<i>Total Expenditures</i>	<u>4,500</u>	<u>4,500</u>	<u>1,342</u>	<u>3,158</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	(2,490)	(2,490)	5,779	8,269
<i>Fund Balance Budget Basis - Beginning of the Year</i>	13,388	13,388	13,388	--
Recovery of Prior Year Encumbrances	<u>38</u>	<u>38</u>	<u>38</u>	<u>--</u>
<i>Fund Balance Budget Basis - End of the Year</i>	<u>\$10,936</u>	<u>\$10,936</u>	<u>\$19,205</u>	<u>\$8,269</u>

Lake Metroparks
Schedule of Revenues, Expenses and Changes in Fund Equity
Budget and Actual (Non-GAAP) Budgetary Basis
Enterprise Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Intergovernmental	\$110,000	\$110,000	\$110,505	\$505
Fees and Admissions	1,022,900	1,022,900	1,014,591	(8,309)
Merchandise Sales	227,400	227,400	220,539	(6,861)
Interest	500	500	4,107	3,607
Contributions	900	900	4,775	3,875
Miscellaneous Revenue	--	--	933	933
<i>Total Revenues</i>	<u>1,361,700</u>	<u>1,361,700</u>	<u>1,355,450</u>	<u>(6,250)</u>
Expenses				
Salaries	624,440	623,928	621,269	2,659
OPERS	86,920	86,920	86,056	864
Medicare	9,030	9,030	8,389	641
Workers' Compensation	15,540	1,840	1,825	15
Unemployment	--	5	5	--
Medical Insurance	105,500	105,500	99,021	6,479
Professional Memberships	2,245	2,256	2,255	1
Training and Education	200	200	--	200
Travel	400	400	--	400
Supplies	277,380	277,380	265,039	12,341
Contracts, Construction	486,000	486,000	465,323	20,677
Contract Services	55,770	106,971	106,971	--
Electric	37,000	37,000	32,669	4,331
Heat (Oil/Gas)	13,700	13,700	6,775	6,925
Water/Sewer	16,150	16,150	9,371	6,779
Telephone	17,380	17,380	13,561	3,819
Contract Repairs	45,550	46,142	46,141	1
Advertising	3,000	3,000	2,057	943
Rentals	157,280	119,680	119,639	41
Insurance	17,820	17,820	16,350	1,470
Materials	100	100	--	100
Capital Equipment	61,700	61,700	61,254	446
Land Acquisition	1,700	1,703	1,703	--
<i>Total Expenses</i>	<u>2,034,805</u>	<u>2,034,805</u>	<u>1,965,673</u>	<u>69,132</u>
<i>Excess (Deficiency) of Revenues Over Expenses</i>	(673,105)	(673,105)	(610,223)	62,882
Other Financing Sources (Uses)				
Transfers In	550,000	550,000	550,000	--
<i>Total Other Financing Sources (Uses)</i>	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>	<u>--</u>
<i>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenses and Other (Uses)</i>	(123,105)	(123,105)	(60,223)	62,882
<i>Fund Equity Budget Basis - Beginning of the Year</i>	341,177	341,177	341,177	--
Recovery of Prior Year Encumbrances	4,098	4,098	4,098	--
<i>Fund Equity Budget Basis - End of the Year</i>	<u>\$222,170</u>	<u>\$222,170</u>	<u>\$285,052</u>	<u>\$62,882</u>

Lake Metroparks
Schedule of Revenues, Expenses and Changes in Fund Equity
Budget and Actual (Non-GAAP) Budgetary Basis
Internal Service Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Fees and Admissions	\$1,585,000	\$1,585,000	\$1,520,350	(\$64,650)
Interest	500	500	2,170	1,670
<i>Total Revenues</i>	<u>1,585,500</u>	<u>1,585,500</u>	<u>1,522,520</u>	<u>(62,980)</u>
Expenses				
Contract Services	1,534,000	1,534,000	1,337,431	196,569
<i>Total Expenses</i>	<u>1,534,000</u>	<u>1,534,000</u>	<u>1,337,431</u>	<u>196,569</u>
<i>Excess (Deficiency) of Revenues Over Expenses</i>	51,500	51,500	185,089	133,589
<i>Fund Equity Budget Basis - Beginning of the Year</i>	<u>878,472</u>	<u>878,472</u>	<u>878,472</u>	<u>--</u>
<i>Fund Equity Budget Basis - End of the Year</i>	<u><u>\$929,972</u></u>	<u><u>\$929,972</u></u>	<u><u>\$1,063,561</u></u>	<u><u>\$133,589</u></u>

Lake Metroparks
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2017

	Balance December 31, 2016	Additions	Deductions	Balance December 31, 2017
Payroll Agency				
Assets				
Restricted Cash and Cash Equivalents	\$--	\$5,100,392	\$5,100,392	\$--
Liabilities				
Due to Other Governments	\$--	\$3,201,603	\$3,201,603	\$--
Due To Others	--	1,898,789	1,898,789	--
Total Liabilities	\$--	\$5,100,392	\$5,100,392	\$--
Contractors' Escrow and Performance Bond Accounts				
Assets				
Restricted Cash and Cash Equivalents	\$15,054	\$257,654	\$58,936	\$213,772
Liabilities				
Retainage Due Contractors	\$15,054	\$257,654	\$58,936	\$213,772
Outstanding Check Agency				
Assets				
Restricted Cash and Cash Equivalents	\$24,399	\$95,750	\$95,470	\$24,679
Liabilities				
Payable from Restricted Assets	\$24,399	\$95,750	\$95,470	\$24,679
Facility Deposit, Program Refund and Group Agency				
Assets				
Restricted Cash and Cash Equivalents	\$9,141	\$46,240	\$41,940	\$13,441
Liabilities				
Payable from Restricted Assets	\$9,141	\$46,240	\$41,940	\$13,441

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Lake Metroparks
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2017 (continued)

	Balance December 31, 2016	Additions	Deductions	Balance December 31, 2017
Total Agency Funds				
Assets				
Restricted Cash and Cash Equivalents	\$48,594	\$5,500,036	\$5,296,738	\$251,892
Total Assets	<u>\$48,594</u>	<u>\$5,500,036</u>	<u>\$5,296,738</u>	<u>\$251,892</u>
Liabilities				
Payable from Restricted Assets	\$33,540	\$141,990	\$137,410	\$38,120
Retainage Due Contractors	15,054	257,654	58,936	213,772
Due to Other Governments	--	3,201,603	3,201,603	--
Due To Others	--	1,898,789	1,898,789	--
Total Liabilities	<u>\$48,594</u>	<u>\$5,500,036</u>	<u>\$5,296,738</u>	<u>\$251,892</u>

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Statistical Section



STATISTICAL SECTION

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

CONTENTS

Tables

Financial Trends 1 - 5

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

Revenue Capacity 6 - 10

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

Debt Capacity..... 11 - 13

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

Demographic and Economic Information 14 - 15

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

Operating Information 16 - 18

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

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

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

Table 1

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental Activities:										
Investment in										
Capital Assets	\$62,087,465	\$59,186,235	\$55,003,063	\$51,566,628	\$49,646,523	\$41,081,648	\$39,011,731	\$36,542,728	\$32,459,358	\$29,699,656
Restricted	2,355,907	3,962,840	6,349,303	5,575,359	3,127,569	4,508,926	1,897,181	951,169	1,533,851	1,119,353
Unrestricted	2,848,200	3,581,184	1,641,140	(1,020,299)	5,217,508	8,935,678	9,450,590	9,832,222	8,710,625	7,476,608
<i>Total Governmental Activities</i>										
<i>Net Position</i>	67,291,572	66,730,259	62,993,506	56,121,688	57,991,600	54,526,252	50,359,502	47,326,119	42,703,834	38,295,617
Business-type Activities:										
Investment in										
Capital Assets and Goodwill	7,282,767	7,369,274	7,425,404	7,633,831	7,851,561	8,099,884	8,440,299	8,727,230	8,896,244	9,031,751
Unrestricted	(178,056)	(169,930)	(343,328)	(414,604)	133,546	124,531	11,796	270,439	213,076	315,875
<i>Total Business-type Activities</i>										
<i>Net Position</i>	7,104,711	7,199,344	7,082,076	7,219,227	7,985,107	8,224,415	8,452,095	8,997,669	9,109,320	9,347,626
Primary Government:										
Investment in										
Capital Assets and Goodwill	69,370,232	66,555,509	62,428,467	59,200,459	57,498,084	49,181,532	47,452,030	45,269,958	41,355,602	38,731,407
Restricted	2,355,907	3,962,840	6,349,303	5,575,359	3,127,569	4,508,926	1,897,181	951,169	1,533,851	1,119,353
Unrestricted	2,670,144	3,411,254	1,297,812	(1,434,903)	5,351,054	9,060,209	9,462,386	10,102,661	8,923,701	7,792,483
<i>Total Primary Government</i>										
<i>Net Position</i>	\$74,396,283	\$73,929,603	\$70,075,582	\$63,340,915	\$65,976,707	\$62,750,667	\$58,811,597	\$56,323,788	\$51,813,154	\$47,643,243

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

Table 2

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Program Revenues										
Governmental Activities:										
Charges for Services	\$2,229,645	\$2,196,799	\$1,925,663	\$1,864,614	\$1,708,250	\$1,596,912	\$1,562,851	\$1,676,087	\$1,558,836	\$1,526,175
Operating Grants and Contributions	148,459	100,408	123,910	93,284	127,874	119,523	259,446	185,464	90,990	125,100
Capital Grants and Contributions	500	688,081	3,106,608	1,906,586	5,307,931	34,768	-	1,300,908	750,545	812,691
<i>Total Governmental Activities</i>										
<i>Program Revenues</i>	<u>2,378,604</u>	<u>2,985,288</u>	<u>5,156,181</u>	<u>3,864,484</u>	<u>7,144,055</u>	<u>1,751,203</u>	<u>1,822,297</u>	<u>3,162,459</u>	<u>2,400,371</u>	<u>2,463,966</u>
Business-type Activities:										
Charges for Services	1,235,130	1,270,903	1,250,204	1,243,789	1,336,732	1,484,143	1,331,538	1,479,153	1,523,581	1,469,481
Operating Grants and Contributions	4,650	1,250	350	1,950	1,000	4,200	2,950	2,250	4,750	6,000
Capital Grants and Contributions	110,505	-	-	-	-	-	-	-	-	-
<i>Total Business-type Activities</i>										
<i>Program Revenues</i>	<u>1,350,285</u>	<u>1,272,153</u>	<u>1,250,554</u>	<u>1,245,739</u>	<u>1,337,732</u>	<u>1,488,343</u>	<u>1,334,488</u>	<u>1,481,403</u>	<u>1,528,331</u>	<u>1,475,481</u>
<i>Total Primary Government</i>										
<i>Program Revenues</i>	<u>3,728,889</u>	<u>4,257,441</u>	<u>6,406,735</u>	<u>5,110,223</u>	<u>8,481,787</u>	<u>3,239,546</u>	<u>3,156,785</u>	<u>4,643,862</u>	<u>3,928,702</u>	<u>3,939,447</u>
Expenses										
Governmental Activities:										
Parks and Recreation	17,402,411	14,216,827	13,368,742	14,514,432	14,765,506	13,409,553	15,017,536	14,935,586	14,365,432	14,181,260
Interest on Long-term Debt	-	-	-	10,534	36,231	66,569	101,959	136,674	171,941	207,046
<i>Total Governmental Activities</i>										
<i>Expenses</i>	<u>17,402,411</u>	<u>14,216,827</u>	<u>13,368,742</u>	<u>14,524,966</u>	<u>14,801,737</u>	<u>13,476,122</u>	<u>15,119,495</u>	<u>15,072,260</u>	<u>14,537,373</u>	<u>14,388,306</u>

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

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Business-type Activities:										
Golf	2,000,163	1,907,246	1,888,004	1,897,051	1,944,968	1,984,890	1,983,913	2,033,991	2,070,259	2,231,935
<i>Total Business-type Activities</i>										
Expenses	2,000,163	1,907,246	1,888,004	1,897,051	1,944,968	1,984,890	1,983,913	2,033,991	2,070,259	2,231,935
<i>Total Primary Government</i>										
Expenses	19,402,574	16,124,073	15,256,746	16,422,017	16,746,705	15,461,012	17,103,408	17,106,251	16,607,632	16,620,241
Net (Expense) Revenue										
Governmental Activities	(15,023,807)	(11,231,539)	(8,212,561)	(10,660,482)	(7,657,682)	(11,724,919)	(13,297,198)	(11,909,801)	(12,137,002)	(11,924,340)
Business-type Activities	(649,878)	(635,093)	(637,450)	(651,312)	(607,236)	(496,547)	(649,425)	(552,588)	(541,928)	(756,454)
<i>Total Primary Government</i>										
Net Expense	<u>(\$15,673,685)</u>	<u>(\$11,866,632)</u>	<u>(\$8,850,011)</u>	<u>(\$11,311,794)</u>	<u>(\$8,264,918)</u>	<u>(\$12,221,466)</u>	<u>(\$13,946,623)</u>	<u>(\$12,462,389)</u>	<u>(\$12,678,930)</u>	<u>(\$12,680,794)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Tax	\$14,865,103	\$14,490,425	\$14,251,533	\$13,446,921	\$15,014,989	\$13,237,724	\$13,144,102	\$13,006,874	\$12,914,187	\$13,138,980
Grants and Entitlements, Unrestricted	1,097,501	1,080,734	1,190,385	1,304,184	2,139,465	2,815,857	3,153,041	3,820,038	3,783,761	3,564,209
Interest	93,963	57,609	20,069	7,810	12,158	6,773	4,685	9,352	30,895	262,060
Miscellaneous	78,553	89,524	122,392	99,107	134,904	98,015	128,753	131,676	116,374	149,174
Transfers	(550,000)	(750,000)	(500,000)	(400,000)	(350,000)	(266,700)	(100,000)	(435,854)	(300,000)	(413,439)
<i>Total Governmental Activities</i>	<u>15,585,120</u>	<u>14,968,292</u>	<u>15,084,379</u>	<u>14,458,022</u>	<u>16,951,516</u>	<u>15,891,669</u>	<u>16,330,581</u>	<u>16,532,086</u>	<u>16,545,217</u>	<u>16,700,984</u>

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

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Business-type Activities:										
Interest	4,311	1,946	278	447	280	201	51	505	1,331	20,144
Loss on Disposal of Capital Assets	-	-	(1,058)	-	-	-	-	-	-	-
Miscellaneous	934	415	1,079	25,039	17,648	1,966	3,800	4,578	2,291	3,335
Transfers	550,000	750,000	500,000	400,000	350,000	266,700	100,000	435,854	300,000	413,439
<i>Total Business-type Activities</i>	<u>555,245</u>	<u>752,361</u>	<u>500,299</u>	<u>425,486</u>	<u>367,928</u>	<u>268,867</u>	<u>103,851</u>	<u>440,937</u>	<u>303,622</u>	<u>436,918</u>
<i>Total Primary Government</i>	<u>16,140,365</u>	<u>15,720,653</u>	<u>15,584,678</u>	<u>14,883,508</u>	<u>17,319,444</u>	<u>16,160,536</u>	<u>16,434,432</u>	<u>16,973,023</u>	<u>16,848,839</u>	<u>17,137,902</u>
Change in Net Position										
Governmental Activities	561,313	3,736,753	6,871,818	3,797,540	9,293,834	4,166,750	3,033,383	4,622,285	4,408,215	4,776,644
Business-type Activities	(94,633)	117,268	(137,151)	(225,826)	(239,308)	(227,680)	(545,574)	(111,651)	(238,306)	(319,536)
<i>Total Primary Government</i>	<u>\$466,680</u>	<u>\$3,854,021</u>	<u>\$6,734,667</u>	<u>\$3,571,714</u>	<u>\$9,054,526</u>	<u>\$3,939,070</u>	<u>\$2,487,809</u>	<u>\$4,510,634</u>	<u>\$4,169,909</u>	<u>\$4,457,108</u>

Lake Metroparks

Table 3

Program Revenues by Function/Program

Last Ten Years

(accrual basis of accounting)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Function/Program										
Governmental Activities:										
Parks and Recreation	\$2,378,604	\$2,985,288	\$5,156,181	\$3,864,484	\$7,144,055	\$1,751,203	\$1,822,297	\$3,162,459	\$2,400,371	\$2,463,966
<i>Total Governmental Activities</i>	2,378,604	2,985,288	5,156,181	3,864,484	7,144,055	1,751,203	1,822,297	3,162,459	2,400,371	2,463,966
Business-type Activities:										
Golf	1,350,285	1,272,153	1,250,554	1,245,739	1,337,732	1,488,343	1,334,488	1,481,403	1,528,331	1,475,781
<i>Total Business-type Activities</i>	1,350,285	1,272,153	1,250,554	1,245,739	1,337,732	1,488,343	1,334,488	1,481,403	1,528,331	1,475,781
<i>Total Primary Government</i>	\$3,728,889	\$4,257,441	\$6,406,735	\$5,110,223	\$8,481,787	\$3,239,546	\$3,156,785	\$4,643,862	\$3,928,702	\$3,939,747

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

Table 4

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Fund										
Nonspendable	\$370,772	\$372,235	\$346,957	\$328,013	\$328,906	\$301,090	\$320,626	\$325,995	\$326,243	\$--
Committed	--	--	--	16,008	28,776	16,416	22,047	40,295	45,089	--
Assigned	42,030	216,308	166,127	219,989	48,350	216,690	239,096	250,470	254,586	--
Unassigned	9,948,484	8,024,290	6,152,914	3,985,853	3,014,159	2,212,275	3,576,721	4,330,452	4,588,029	--
Reserved	--	--	--	--	--	--	--	--	--	551,037
Unreserved	--	--	--	--	--	--	--	--	--	2,344,721
Total General Fund	10,361,286	8,612,833	6,665,998	4,549,863	3,420,191	2,746,471	4,158,490	4,947,212	5,213,947	2,895,758
All Other Governmental Funds										
Nonspendable	\$10,379	\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--
Restricted	19,214	13,430	7,029	2,654	8,351	5,891	4,974	6,136	5,583	--
Committed	147,548	2,540,712	2,058,039	1,748,933	786,045	596,018	798,902	1,248,124	278,670	--
Assigned	1,443,441	1,470,967	4,258,222	3,823,808	3,196,323	4,587,460	1,973,860	1,142,960	2,026,439	--
Reserved	--	--	--	--	--	--	--	--	--	432,941
Undesignated, Reported in:										
Special Revenue Funds	--	--	--	--	--	--	--	--	--	5,495
Debt Service Funds	--	--	--	--	--	--	--	--	--	168
Capital Projects Funds	--	--	--	--	--	--	--	--	--	3,172,635
Total All Other Governmental Funds	1,620,582	4,025,109	6,323,290	5,575,395	3,990,719	5,189,369	2,777,736	2,397,220	2,310,692	3,611,239
Total Governmental Funds	\$11,981,868	\$12,637,942	\$12,989,288	\$10,125,258	\$7,410,910	\$7,935,840	\$6,936,226	\$7,344,432	\$7,524,639	\$6,506,997

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

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

Table 5

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues										
Property Taxes	\$14,562,609	\$14,427,675	\$14,260,551	\$13,935,222	\$13,941,446	\$12,067,641	\$12,006,006	\$12,024,728	\$12,086,741	\$12,362,912
Intergovernmental	2,039,557	3,003,122	5,174,596	3,593,193	5,955,211	2,815,857	3,249,070	5,130,229	4,539,624	4,232,930
Fees and Admissions	1,808,631	1,750,245	1,485,377	1,463,957	1,303,320	1,203,335	1,199,290	1,284,526	1,191,817	1,161,800
Merchandise Sales	435,184	453,182	435,531	414,872	400,706	392,183	360,971	388,043	362,715	362,045
Interest	93,824	57,563	20,063	14,321	11,932	6,414	4,223	8,403	27,344	238,798
Fines and Forfeitures	9,507	13,916	7,250	3,570	4,224	1,394	2,590	3,518	4,304	2,330
Contributions	136,848	182,908	135,560	564,418	929,099	154,291	163,417	176,181	85,672	269,070
Miscellaneous	136,709	152,702	119,897	99,374	134,904	98,015	128,753	131,676	116,374	149,174
<i>Total Revenues</i>	<u>19,222,869</u>	<u>20,041,313</u>	<u>21,638,825</u>	<u>20,088,927</u>	<u>22,680,842</u>	<u>16,739,130</u>	<u>17,114,320</u>	<u>19,147,304</u>	<u>18,414,591</u>	<u>18,779,059</u>
Expenditures										
Parks and Recreation	14,042,412	13,634,859	13,349,659	12,829,623	12,343,055	11,942,728	12,635,485	12,839,309	12,657,853	12,667,830
Capital Outlay	5,265,123	6,030,962	4,934,786	3,493,712	9,871,650	2,612,602	3,852,869	5,090,580	3,441,640	6,733,980
Debt Service:										
Principal Retirement	-	-	-	625,000	625,000	825,000	825,000	825,000	825,000	825,000
Interest and Fiscal Charges	-	-	-	12,741	38,437	68,776	103,881	139,013	174,117	209,223
<i>Total Expenditures</i>	<u>19,307,535</u>	<u>19,665,821</u>	<u>18,284,445</u>	<u>16,961,076</u>	<u>22,878,142</u>	<u>15,449,106</u>	<u>17,417,235</u>	<u>18,893,902</u>	<u>17,098,610</u>	<u>20,436,033</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(84,666)</u>	<u>375,492</u>	<u>3,354,380</u>	<u>3,127,851</u>	<u>(197,300)</u>	<u>1,290,024</u>	<u>(302,915)</u>	<u>253,402</u>	<u>1,315,981</u>	<u>(1,656,974)</u>
Other Financing Sources (Uses)										
Sale of Bonds	-	-	-	-	-	-	-	-	-	-
Transfers In	2,600,000	2,500,000	2,500,000	3,046,418	4,000,000	4,509,480	4,078,541	3,677,211	1,300,000	2,600,000
Transfers Out	(3,150,000)	(3,250,000)	(3,000,000)	(3,446,418)	(4,350,000)	(4,776,180)	(4,178,541)	(4,113,065)	(1,600,000)	(3,013,439)
<i>Total Other Financing Sources (Uses)</i>	<u>(550,000)</u>	<u>(750,000)</u>	<u>(500,000)</u>	<u>(400,000)</u>	<u>(350,000)</u>	<u>(266,700)</u>	<u>(100,000)</u>	<u>(435,854)</u>	<u>(300,000)</u>	<u>(413,439)</u>
<i>Net Change in Fund Balances</i>	<u>(\$634,666)</u>	<u>(\$374,508)</u>	<u>\$2,854,380</u>	<u>\$2,727,851</u>	<u>(\$547,300)</u>	<u>\$1,023,324</u>	<u>(\$402,915)</u>	<u>(\$182,452)</u>	<u>\$1,015,981</u>	<u>(\$2,070,413)</u>

Debt Service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%	4.6%	5.1%	7.0%	6.8%	7.0%	7.3%	7.5%
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Lake Metroparks
 Tax Revenues by Source, Governmental Funds
 Last Ten Years
(modified accrual basis of accounting)

Table 6

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Property Taxes	\$14,562,609	\$14,427,675	\$14,260,551	\$13,935,222	\$13,941,446	\$12,067,641	\$12,006,006	\$12,024,728	\$12,086,741	\$12,362,912

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

Table 7

Fiscal Year	<u>REAL PROPERTY</u>		<u>PUBLIC UTILITY PROPERTY</u>		<u>PERSONAL PROPERTY</u>		<u>TOTAL</u>		Full Tax Rate Per \$1,000 of Assessed Valuation	Weighted Average Tax Rate
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value		
2017	\$5,480,455	\$15,658,443	\$398,760	\$453,136	\$0	\$0	\$5,879,215	\$16,111,579	2.8000	2.7400
2016	\$5,504,066	\$15,725,903	\$365,366	\$415,188	0	0	\$5,869,432	\$16,141,901	2.8000	2.7636
2015	\$5,394,376	\$15,412,502	\$344,819	\$391,841	0	0	\$5,739,195	\$15,804,343	2.8000	2.80000
2014	5,372,965	15,351,329	301,273	342,356	0	0	5,674,238	15,693,685	2.8000	2.80000
2013	5,391,010	15,402,887	335,746	381,529	0	0	5,726,756	15,784,416	2.8000	2.80000
2012	5,978,514	17,081,468	339,983	386,344	0	0	6,318,497	17,467,812	2.3000	2.17590
2011	6,032,522	17,235,777	380,705	432,619	0	0	6,413,227	17,668,396	2.3000	2.16429
2010	5,971,597	17,061,705	361,650	410,966	5,280	52,800	6,338,527	17,525,471	2.3000	2.15792
2009	6,442,180	18,406,230	342,160	388,818	10,559	105,590	6,794,899	18,900,638	2.3000	2.00370
2008	6,347,852	18,136,720	333,127	378,554	195,820	1,566,563	6,876,800	20,081,837	2.3000	2.01802

(1) Estimated Actual Value is calculated by dividing the Assessed Value by the assessment percentage. The percentages for 2017 are 35% for all Real Property and 88% for Public Utility Property.

Source: Lake County Auditor's Office

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

Table 8

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

2012	2013	2014	2015	2016	2017
\$2.10	\$1.00	\$1.00	1	1	1
4.9	4.9	4.9	4.9	4.9	4.9
1.6	1.6	1.6	1.6	1.6	1.6
0.3	0.3	0.3	0.3	0.3	0.3
0.7	0.7	0.7	0.7	0.7	0.7
0.3	0.3	0.3	0.3	0.3	0.3
<u>0.4</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.8</u>
10.3	9.3	9.3	9.3	9.3	9.6
90.33	90.9	90.95	90.81	90.92	89.43
73.56	80.19	79.94	79.7	78.82	77.40
55.59	60.13	59.6	59.4	57.62	61.24
76.96	77.8	77.49	78.92	78.66	82.05
59.8	92.22	92.98	93.16	93.04	91.63
55.79	56.25	56.24	56.21	55.28	60.88
45.7	45.7	45.7	45.7	45.7	44.20
75.21	75.2	75.21	76.71	83.11	64.33
53.02	60.52	61.24	63.21	64.27	64.33
8.3	8.3	8.3	8.3	8.3	12.8
11.05	11.05	11.05	13.05	13.05	18.0
4.5	4.5	4.5	4.5	4.5	4.5
24	24	24	27.8	27.8	27.8
3.7	3.7	8.17	8.17	8.17	8.17
8.02	8.09	8.11	8.11	8.11	8.09
8.53	8.53	8.51	8.49	8.49	8.54
7.3	7.3	7.3	7.3	7.3	7.30
19.5	19.5	19.5	19.5	19.5	19.5

(Continued)

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

	2008	2009	2010	2011	2012
VILLAGES					
Fairport Harbor	\$9.56	\$9.56	\$9.56	\$9.56	\$10.06
Grand River	7.5	7.5	7.5	7.5	8
Kirtland Hills	18	18	18	18	18
Lakeline	6	6	6	6	6
Madison (b)	9.43	9.43	9.43	9.43	9.43
North Perry (c)	11.5	11.5	12	12	12
Perry (c)	14.5	14.5	15	12	12
Timberlake	21.2	21.2	21.2	21.2	21.2
Waite Hill	16	16	16	16	16
TOWNSHIPS					
Concord	9.4	9.4	9.4	10.4	10.4
Leroy	11.9	11.9	11.9	11.9	11.9
Madison (b)	21.63	21.63	21.63	21.63	21.63
Painesville	12.65	12.65	12.65	13.45	13.45
Perry (c)	11.5	11.5	12	12	12
LIBRARIES					
Fairport	1.84	1.84	1.84	1.84	1.84
Kirtland	0	0	0	0	1
Madison	1	1	1	1	2.25
Mentor	0.625	1.1	1.1	1.1	1.1
Morley	1.66	1.66	1.74	1.73	1.74
Perry	1	1	1	1	1
Wickliffe	2.9	2.9	2.9	2.9	2.9
Willoughby-Eastlake	1.3	1.3	2.3	2.3	2.3
PORT AUTHORITY					
Fairport Harbor	0	0	0	0	0

2013	2014	2015	2016	2017
\$10.06	\$10.06	\$10.06	\$10.06	18.36
8	8	8	8	8.5
18	18	18	18	18.
8	8	8	8	8.
9.43	9.43	13.23	13.23	15.23
12	12	11	11	11
12	12	11	11	11
21.2	21.2	21.2	21.2	21.2
16	22.2	22.2	22.2	22.2
10.4	10.4	10.4	11.4	11.7
11.9	11.9	12.8	12.8	12.8
21.43	21.43	21.43	21.43	23.43
13.45	16.35	17.67	17.67	21.17
12	12	11	11	11
1.84	1.84	1.84	1.84	1.84
1	1	1	1	1
2.25	2.25	2.25	2.25	2.25
2	2	2	2	2
1.82	1.8	1.8	1.78	1.77
1	1	1	1.75	1.75
2.9	2.9	2.9	2.9	2.9
2.3	2.3	2.3	2.3	1
0	0	0	0	0

(Continued)

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

	2008	2009	2010	2011	2012
OTHER POLITICAL SUBDIVISIONS					
Lake Metroparks	\$2.30	\$2.30	\$2.30	\$2.30	\$2.30
Lakeland Community College	3.2	3.2	3.2	3.2	3.2
Auburn Joint Vocational School	1.5	1.5	1.5	1.5	1.5
Lake County School Financing District	4.9	4.9	4.9	4.9	4.9
Madison Fire District	6.48	6.48	6.48	6.48	6.48
Perry Fire District	6.9	6.9	7.4	7.4	7

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

Source: Lake County Auditor's Office

2013	2014	2015	2016	2017
\$2.80	\$2.80	\$2.80	\$2.80	\$2.80
3.2	3.2	3.2	3.6	3.6
1.5	1.5	1.5	1.5	1.5
4.9	4.9	4.9	4.9	4.9
6.48	6.48	6.48	6.48	8.48
7.4	7.4	7.4	7.4	7.4

Lake Metroparks
Principal Taxpayers
Current Year and Nine Years Ago

Table 9

Name of Taxpayer	Nature of Business	Assessed Value	Percent of Total Assessed Value
Principal Taxpayers Real Estate Tax		January 1, 2017	
First Energy Nuclear	Electric company	\$67,345,610	1.2237%
Mall at Great Lakes LLC	Developer of Great Lakes Mall	\$18,937,140	0.3441%
First Energy Generation Corp.	Electric company	\$17,500,000	0.3180%
Lubrizol Corporation	Mfg. for chemical additives for fuels and lubricants	\$16,704,000	0.3035%
Tam A Rac Estate	Residential developer	\$12,920,630	0.2348%
Lake Hospital System, Inc.	Hospital system	\$12,848,810	0.2335%
First Interstate	Developer of Willoughby Commons and Creekside	\$9,338,900	0.1697%
Pine Ridge G & H LLC	Apartments	\$7,000,900	0.1272%
Winchester Apts. LTD	Apartments	\$6,790,010	0.1234%
DFG-Mentor Erie Commons LLC	Retail Shopping	\$6,422,520	0.1167%
Steris Corporation	Provider of infection, contamination prevention systems and products	\$5,800,890	0.1054%
	Totals	<u>\$181,609,410</u>	<u>3.3000%</u>
	Total Assessed Valuation	<u><u>\$5,503,360,890</u></u>	
Principal Taxpayers Real Estate Tax		January 1, 2008	
Simon property group LP	Developer of Great Lakes Mall	\$27,595,230	0.4013%
Lubrizol Corporation	Chemical Additives for fuels and lubricants	\$17,669,300	0.2569%
First Interstate	Developer of Willoughby and Creekside Commons Shopping Centers	\$17,190,970	0.2500%
DDRTC Willoughby Hills SC	Retail developer	\$12,746,220	0.1854%
Euclid Realty LLC	Developer of ABB DE Inc	\$12,600,010	0.1832%
Avery Dennison Corporation	Pressure-sensitive adhesive, papers, foils and films	\$11,928,350	0.1735%
Tam a Rac Estates	Residential developer	\$11,505,830	0.1673%
Steris Corporation	Provider of infection, contamination prevention systems and products	\$10,703,340	0.1556%
Wal Mart Real Estate	Retail Developer	\$9,299,660	0.1352%
Osborne, Richard M	Contractor and developer	\$8,794,250	0.1279%
	Totals	<u>\$140,033,160</u>	<u>2.0363%</u>
	Total Assessed Valuation	<u><u>\$6,876,799,810</u></u>	

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Total Assessed Valuation Real property taxes paid in 2017 are based on January 1, 2016

Total Assessed Valuation Real property taxes paid in 2008 are based on January 1, 2007

(continued)

Lake Metroparks
Principal Taxpayers
Current Year and Nine Years Ago

Name of Taxpayer	Nature of Business	Assessed Value	Percent of Total Assessed Value
Tangible Public Utility Property Taxpayers		January 1, 2017	
Cleveland Electric Illuminatinc Co.	Electric utility	\$112,673,080	32.5611%
American Transmission	Electric utility	100,933,590	29.1685%
First Energy Nuclear	Electric utility	81,456,030	23.5397%
Aqua Ohio, Inc.	Water utility	32,646,650	9.4345%
East Ohio Gas	Natural gas utility	13,791,580	3.9856%
Orwell Natural Gas	Natural gas utility	2,326,470	0.6723%
Orwell Trumbullo Pipeline Co.	Natural Gas utility	1,755,510	0.5073%
Cobra Pipeline Co LTD	Natural gas utility	305,600	0.0883%
First Energy Generation	Electric utility	87,640	0.0253%
Brainard Gas Corp	Natural gas utility	24,110	0.0070%
	Totals	<u>\$346,000,260</u>	<u>99.9896%</u>
	Total Assessed Valuation	<u><u>\$346,036,130</u></u>	
Tangible Public Utility Property Taxpayers		January 1, 2008	
First Energy Nuclear	Electric utility	\$198,276,090	2.8833%
First Energy Generation Corp.	Electric utility	\$102,494,420	1.4904%
Cleveland Electric Illuminatinc Co.	Electric utility	\$77,011,050	1.1199%
Aqua Ohio, Inc.	Water utility	\$22,993,230	0.3344%
American Transmission	Electric utility	\$21,224,510	0.3086%
Ohio Edison	Electric utility	\$8,148,510	0.1185%
East Ohio Gas	Natural Gas utility	\$6,886,820	0.1001%
Ameritech	Telephone utility	\$1,589,340	0.0231%
Norfolk Southern	Railroad Utility	\$1,388,750	0.0202%
	Totals	<u>\$440,012,720</u>	<u>6.3985%</u>
	Total Assessed Valuation	<u><u>\$6,328,540,447</u></u>	

Public utility tangible personal property tax paid in 2017 is based on values listed on December 31, 2016

Public utility tangible personal property tax paid in 2008 is based on values listed on December 31, 2007

Source: Lake County Auditor's Office

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

Table 10

Tax Year	Fiscal Year	Current Tax Levy	Current Tax Collection	Percent of Levy Collected	Delinquent Tax Collections(2)	Total Tax Collections	Total Collections as a Percent of Levy
2016-2017	2017	\$16,352,508	\$15,936,945	97.5%	\$513,191	\$16,450,136	100.60%
2015-2016	2016	16,223,561	15,752,162	97.1%	564,954	16,317,116	100.58%*
2014-2015	2015	16,094,944	15,554,859	96.6%	600,907	16,155,766	100.38%*
2013-2014	2014	15,933,486	15,402,832	96.7%	378,551	15,781,383	99.05%*
2012-2013	2013	16,024,888	15,549,743	97.0%	475,876	16,025,619	100.00%*
2011-2012	2012	13,696,683	13,281,826	97.0%	401,559	13,683,385	99.90%*
2010-2011	2011	13,268,143	12,632,233	95.2%	373,765	13,005,998	98.02%*
2009-2010	2010	13,704,113	12,915,199	94.2%	460,060	13,375,259	97.60%*
2008-2009	2009	13,660,146	13,183,172	96.5%	468,130	13,651,302	99.94%*

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

* Delinquent collections are not segregated by tax year.

(2) The County does not maintain delinquency information by tax year.

Source: Lake County Auditor's Office

Lake Metroparks
 Ratios of Outstanding Debt
 Last Ten Years

Table 11

Year	Population	Assessed Value	Gross Bonded Debt	Less Balance in Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita	Net Bonded Debt as a Percentage of Personal Income
2017	230,041	\$5,879,215,040	\$0	\$0	\$0	0%	\$0	0%
2016	228,614	\$5,869,432,440	\$0	0	0	0%	0	0%
2015	230,510	5,739,195,400	0	0	0	0%	0	0%
2014	229,857	5,674,239,290	0	0	0	0%	0	0%
2013	229,857	5,726,757,170	625,000	535	624,465	.01%	2.72	.01%
2012	230,351	6,318,496,590	1,250,000	28,792	1,221,028	.02%	5.30	.02%
2011	230,619	6,413,227,720	2,075,000	38,158	2,036,842	.03%	8.83	.04%
2010	236,775	6,388,526,292	2,900,000	173	2,899,827	.05%	12.25	.06%
2009	233,392	6,794,899,728	3,725,000	171	3,724,829	.05%	15.96	.08%
2008	234,030	6,876,799,810	4,550,000	168	4,549,832	.07%	19.44	.10%

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

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

Table 12

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

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

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

Lake Metroparks
 Legal Debt Margin Information
 Last Ten Years

Table 13

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Debt Limit	\$58,792,150	\$58,694,320	\$57,391,954	\$56,742,393	\$57,267,572	\$63,184,966	\$64,132,277	\$63,385,623	\$67,948,997	\$68,767,998
Total Debt Applicable to Limit	0	0	0	0	625,000	1,250,000	2,075,000	2,900,000	3,725,000	4,550,000
Legal Debt Margin	<u>\$58,792,150</u>	<u>\$58,694,320</u>	<u>\$57,391,954</u>	<u>\$56,742,393</u>	<u>\$56,642,572</u>	<u>\$61,934,966</u>	<u>\$62,057,277</u>	<u>\$60,485,623</u>	<u>\$64,223,997</u>	<u>\$64,217,998</u>
Total Net Debt Applicable to Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	1.09%	1.98%	3.24%	4.58%	5.48%	6.62%

Legal Debt Margin Calculation Decemer 31, 2017:

Assessed value of taxable property	\$5,879,215,040
Debt Limit (1% of total assessed value)	\$58,792,150
Bonded Debt	\$0

POPULATION	LAKE COUNTY	OHIO
Population, 2017 estimate	230,117	11,658,609
Population, 2016 estimate	228,614	11,614,373
Population, percent change, April 1, 2010 to July 1, 2017	(0.%)	1.1%
Population, percent change, April 1, 2010 to July 1, 2016	(0.6%)	0.7%
Population, 2010	230,041	11,536,504
Persons under 5 years, percent, 2016	4.9%	6.0%
Persons under 18 years, percent, 2016	20.4%	22.5%
Persons 65 years and over, percent, 2016	18.9%	16.2%
Female persons, percent, 2016	51.1%	51.0%

White alone, percent, 2016 (a)	92.6%	82.5%
Black or African American alone, percent, 2016 (a)	4.1%	12.8%
American Indian and Alaska Native alone, percent, 2016 (a)	0.2%	0.3%
Asian alone, percent, 2016 (a)	1.4%	2.2%
Native Hawaiian and Other Pacific Islander alone, percent, 2016 (a)	--	0.1%
Two or more races, percent, 2016	1.6%	2.2%
Hispanic or Latino, percent, 2016 (b)	4.2%	3.7%
White alone, not Hispanic or Latino, percent, 2016	89.0%	79.5%

Living in same house 1 year and over, 2012-2016	89.8%	85.1%
Foreign born persons, percent, 2012-2016	5.4%	4.2%
Language other than English spoken at home, pct age 5+, 2012-2016	7.2%	6.7%
High school graduates, percent of persons age 25+, 2012-2016	91.9%	89.5%
Bachelor's degree or higher, pct of persons age 25+, 2012-2016	27.0%	26.7%
Veterans, 2012-2016	15,965	779,187
Mean travel time to work (minutes), workers age 16+, 2012-2016	23.2	23.3
Housing units, 2016	102,470	5,164,361
Homeownership rate, 2012-2016	73.8%	66.0%
Housing units in multi-unit structures, percent, 2010-2014	19.7%	23.4%
Median value of owner-occupied housing units, 2012-2016	\$149,300	\$131,900

Households, 2012-2016	95,249	4,601,449
Persons per household, 2012-2016	2.37	2.45
Per capita money income in past 12 months 2012 - 2016	\$31,053	\$27,800
Median household income 2012-2016	\$59,958	\$50,674
Persons below poverty level, percent, 2012-2016	8.6%	14.6%

(a) Includes persons reporting only one race

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

Source: U.S. Census Bureau

UNEMPLOYMENT RATES
 (LAST TEN YEARS)

Year	Lake County	State of Ohio	United States
2017	4.4%	4.7%	4.1%
2016	4.7%	4.7%	4.9%
2015	3.7%	4.6%	5.0%
2014	5.7%	4.8%	5.6%
2013	6.4%	7.2%	6.7%
2012	6.3%	6.7%	7.9%
2011	6.6%	8.1%	8.5%
2010	7.6%	9.6%	9.4%
2009	7.9%	10.9%	10.0%
2008	5.6%	7.6%	7.1%
2007	5.6%	5.8%	4.8%

Source: Ohio Department of Job and Family Services

POPULATION

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

Lake County, Ohio
Principal Employers
Current Year and Nine Years Ago
December 31, 2017

Table 15

<u>2017 Employer (1)</u>	<u>Nature of Business</u>	<u>Number Employed</u>	<u>Percentage of Total Employment</u>
Lake Hospital System, Inc.	Health care	2,200	2.31%
Lake County Government (4)	County government	1,880	1.98%
Lubrizol Corporation	Chemical additives	1,300	1.37%
Steris Corporation	Infection and contamination preventive systems	1,043	1.10%
Willoughby-Eastlake City Schools	School District	1,100	1.01%
Mentor Exempted Village Schools	School District	999	1.00%
Wal-Mart Stores, Inc	Retail	741	0.78%
ABB Automation, Inc.	Computer systems for power plants	675	0.71%
Lincoln Electric	Welders, welding equipment	540	0.57%
Avery Dennison Corporation	Pressure-sensitive products	<u>300</u>	<u>0.32%</u>
Totals		<u>10,778</u>	<u>11.15%</u>
Total employment within the County (3)		116,600	

<u>2008 Employer (2)</u>	<u>Nature of Business</u>	<u>Number Employed</u>	<u>Percentage of Total Employment</u>
Lake County Government (4)	County government	2,117	1.70%
Lake Hospital System, Inc.	Health care	1,601	1.29%
Lubrizol Corporation	Chemical additive	1,365	1.10%
First Energy Corporation	Electric utility	1,235	0.99%
Avery International	Pressure-sensitive products	1,230	0.99%
Mentor Exempted Village Schools	School District	960	0.77%
Willoughby-Eastlake City Schools	School District	950	0.76%
Steris Corporation	Infection and contamination prevention systems	879	0.71%
ABB Inc.	Computer systems for power plants	570	0.46%
Giant Eagle, Inc.	Grocery store chain	<u>400</u>	<u>0.32%</u>
Totals		<u>11,307</u>	<u>9.10%</u>
Total employment within the County (3)		124,300	

- (1) From the respective businesses
- (2) From 2008 Lake Metroparks CAFR
- (3) Ohio Labor Market Information
- (4) Includes Lake County Board of DD

Lake Metroparks
 Total Park Employees by Function
 Last Ten Years

Table 16

<u>Function/Program</u>	<u>Total Number of Employees Paid as of December 31</u>									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Governmental	452	460	530	450	438	399	396	397	402	416
Business-type	60	70	69	68	58	61	57	55	60	63
Total	<u>512</u>	<u>530</u>	<u>599</u>	<u>518</u>	<u>496</u>	<u>460</u>	<u>453</u>	<u>452</u>	<u>462</u>	<u>479</u>

Lake Metroparks
Operating Indicators - Parks and Recreation
Last Ten Years

Table 17

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Park Visits	3,493,552	3,462,465	3,085,476	2,895,612	2,563,142	2,610,279	2,429,384	2,448,395	2,478,600	2,280,000
Rounds of Golf	51,065	55,212	54,000	52,684	52,268	65,189	53,898	64,430	66,676	65,452
Registered Programs	1,187	1,288	1,447	2,081	2,200	2,025	1,469	1,651	2,352	1,271
Program Participants	17,643	17,211	24,139	37,510	35,471	37,243	28,027	29,986	39,589	22,502
Special Events (including events held at the Farmpark)	41	38	35	36	45	43	43	41	44	41
Environmental Learning Center	28,581	30,572	26,139	12,042	5,817	3,363	11,331	19,885	19,022	5,330
Beach Attendance***	336,848	346,220	203,180	267,012	263,028	214,430	222,605	165,741	224,973	208,429
Special Events Participants (attendance totals calculated in the Farmpark totals also)	138,487	142,369	133,513	147,844	76,108	137,708	126,725	162,050	166,188	127,958
Farmpark Visits*	207,832	207,661	182,916	181,845	174,993	172,866	168,811	187,330	181,771	188,170
Penitentiary Glen Visits**	73,078	51,591	67,837	51,572	48,812	48,565	48,858	51,455	42,066	--

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

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

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

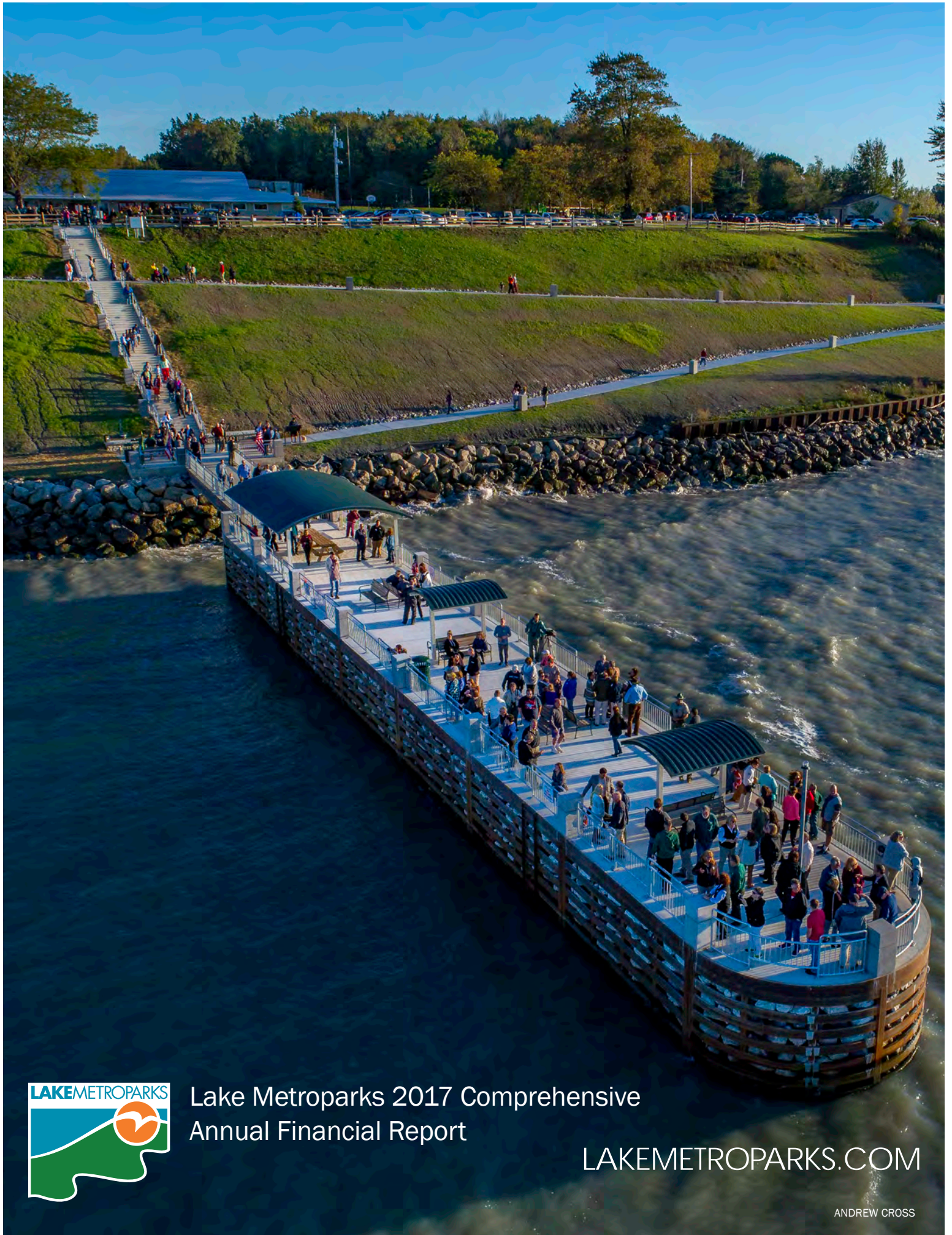
Source: Lake Metroparks Registration Division, Lake Metroparks Ranger Division

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

Table 18

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<u>Leisure Services</u>										
Number of Park Properties	46	46	45	45	45	44	43	43	42	42
Area of Properties (acres)	9166	9,070	8,890	8,700	8,643	8,199	8,078	8,051	7,837	7,675
Programmed Buildings (sq.ft.)	121,431	121,431	121,431	129,244	125,156	125,156	125,156	125,156	125,156	125,156

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Lake Metroparks 2017 Comprehensive
Annual Financial Report

LAKEMETROPARKS.COM

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Dave Yost • Auditor of State

LAKE METROPARKS

LAKE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MAY 22, 2018**