



OHIO AUDITOR OF STATE
KEITH FABER



**FIVE RIVERS METROPARKS
MONTGOMERY COUNTY**

DECEMBER 31, 2023 AND 2022

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Five Rivers MetroParks
Montgomery County
409 East Monument Avenue, 3rd Floor
Dayton, Ohio 45402

To the Board of Park Commissioners:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Five Rivers MetroParks, Montgomery County, Ohio (the MetroParks), which comprises the cash balances, receipts and disbursements for each governmental and fiduciary fund type combined total as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the MetroParks, as of December 31, 2023 and 2022, or the changes in financial position thereof for the years then ended.

Basis for Opinions

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

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

As described in Note 2 of the financial statements, the financial statements are prepared by the MetroParks on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the MetroParks' internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the MetroParks' ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2024, on our consideration of the MetroParks' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the MetroParks' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the MetroParks' internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

December 18, 2024

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**FIVE RIVERS METROPARKS
MONTGOMERY COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Levy Funds	\$19,314,132			\$19,314,132
Intergovernmental	944,637	\$655,576	\$384,932	1,985,145
Charges for Services	906,038	10,500		916,538
Investment Earnings	525,705	19,290		544,995
Gifts, Donations and Sponsorships	218,205		530,200	748,405
Miscellaneous	368,629	680		369,309
<i>Total Cash Receipts</i>	<u>22,277,346</u>	<u>686,046</u>	<u>915,132</u>	<u>23,878,524</u>
Cash Disbursements				
Current:				
Salaries and Benefits	15,632,639	126,207		15,758,846
Supplies and Operating Expenses	2,965,052	45,277	16,086	3,026,415
Contracts and Operating Services	2,629,213	13,400		2,642,613
Intergovernmental	464,451			464,451
Capital Outlay	1,050,863	491,245	2,064,508	3,606,616
<i>Total Cash Disbursements</i>	<u>22,742,218</u>	<u>676,129</u>	<u>2,080,594</u>	<u>25,498,941</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(464,872)</u>	<u>9,917</u>	<u>(1,165,462)</u>	<u>(1,620,417)</u>
Other Financing Receipts (Disbursements)				
Transfers In		140,833	834,251	975,084
Transfers Out	(975,084)			(975,084)
Advances In	283,918	136,580	130,803	551,301
Advances Out	(267,384)	(270,388)	(13,529)	(551,301)
Other Financing Sources	133,955		11,483	145,438
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(824,595)</u>	<u>7,025</u>	<u>963,008</u>	<u>145,438</u>
<i>Net Change in Fund Cash Balances</i>	<u>(1,289,467)</u>	<u>16,942</u>	<u>(202,454)</u>	<u>(1,474,979)</u>
<i>Fund Cash Balances, January 1</i>	<u>7,254,324</u>	<u>625,323</u>	<u>2,085,998</u>	<u>9,965,645</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$5,964,857</u></u>	<u><u>\$642,265</u></u>	<u><u>\$1,883,544</u></u>	<u><u>\$8,490,666</u></u>

See accompanying notes to the financial statements.

**FIVE RIVERS METROPARKS
MONTGOMERY COUNTY**

**STATEMENT OF ADDITIONS, DEDUCTIONS,
AND CHANGES IN FUND BALANCE (REGULATORY CASH BASIS)
FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Custodial</u>
Additions	
Amounts Held for Employees	\$3,731,584
Other Amounts Collected for Distribution	<u>10,070</u>
<i>Total Additions</i>	<u>3,741,654</u>
Deductions	
Distributions to Other Governments	9,196
Distributions on Behalf of Employees	<u>3,906,808</u>
<i>Total Deductions</i>	<u>3,916,004</u>
<i>Net Change in Fund Cash Balance</i>	(174,350)
<i>Fund Cash Balance, January 1</i>	<u>710,579</u>
<i>Fund Cash Balance, December 31</i>	<u><u>\$536,229</u></u>
<i>See accompanying notes to the financial statements.</i>	

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 – Reporting Entity

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

The James M. Cox, Jr. Arboretum Foundation (the Cox Arboretum Foundation) is also associated with MetroParks. The Cox Arboretum Foundation is a not-for-profit organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Service Code. The primary objective of the Foundation is to provide a “living museum” for the Dayton community where people of all ages can come to learn about and engage with nature. The Foundation supports the management and operation of Cox Arboretum MetroPark. Further information regarding this organization can be obtained by writing James M. Cox, Jr. Arboretum Foundation, 6733 Springboro Pike, Dayton, Ohio 45449 or by phone at (937) 277-4839.

The Cox Arboretum Foundation is considered a component unit of MetroParks because the economic resources received or held by the Cox Arboretum Foundation are entirely for the direct benefit of Cox Arboretum MetroPark. MetroParks, is entitled to, or has the ability to otherwise access a majority of the economic resources received or held by the Cox Arboretum Foundation. The economic resources received or held by the Cox Arboretum Foundation that MetroParks, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The Five Rivers MetroParks Foundation (the FRMP Foundation) is associated with MetroParks. The FRMP Foundation is a not-for-profit organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Service Code. The primary purpose of the FRMP Foundation is to provide Five Rivers MetroParks with a 501(c)(3) entity for securing philanthropic funding for special projects, programming, and endowment. The FRMP Foundation provides a way for donors to support MetroParks with charitable contributions that will support all MetroParks or one specific park. Donations also can be directed to support educational and recreational services, as well as conservation initiatives. Further information can be obtained by contacting the Five Rivers MetroParks Foundation, 409 E. Monument Avenue, 3rd Floor, Dayton, Ohio 45402 or by phone at (937) 274-4381.

The FRMP Foundation is considered a component unit of MetroParks because the economic resources received or held by the FRMP Foundation are entirely for the direct benefit of MetroParks. MetroParks, is entitled to, or has the ability to otherwise access a majority of the economic resources received or held by the FRMP Foundation. The economic resources received or held by the FRMP Foundation that MetroParks, is entitled to, or has the ability to otherwise access, are significant to that primary government.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2023

The Wegerzyn Gardens Foundation (the Wegerzyn Foundation) is associated with MetroParks. The Wegerzyn Foundation is a not-for-profit organization exempt from Federal Income taxes under Section 501(c)(3) of the Internal Revenue Service Code. The primary purpose of the Wegerzyn Foundation is to conduct fundraising, to increase awareness and support the programs and continued development of Wegerzyn Gardens MetroPark, a facility of Five Rivers MetroParks. Further information can be obtained by contacting Wegerzyn Gardens Foundation, 1301 East Siebenthaler Avenue, Dayton, OH 45414 or by phone (937) 227-4839.

The Wegerzyn Foundation is considered a component unit of MetroParks because the economic resources received or held by the Wegerzyn Foundation are entirely for the direct benefit of MetroParks. MetroParks is entitled to or has the ability to otherwise access a majority of the economic resources received or held by the Wegerzyn Foundation. The economic resources received or held by the Wegerzyn Foundation that MetroParks, is entitled to, or has the ability to otherwise access, are significant to that primary government

MetroParks participates in a public entity risk pool. Note 7 to the financial statements provides additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

State and Local Grants Fund – This fund receives proceeds from state agencies and donations. These proceeds are mainly used for projects and maintenance of MetroParks' capital items.

Federal Grants Fund – This fund receives proceeds from federal agencies. The proceeds are used for various MetroParks projects.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2023

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

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

OPWC Grant Fund – This fund receives proceeds from the Ohio Public Works Commission (OPWC). The proceeds are used for OPWC projects.

Fiduciary Funds Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. Trust funds account for assets held under a trust agreement meeting certain criteria.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. MetroParks' custodial funds account for sales taxes collected to be remitted to the State of Ohio and the employee portion of payroll deductions to be remitted to various entities.

For regulatory purposes, certain own source revenues are permitted to flow through clearing funds presented as custodial funds. Also, for regulatory purposes, certain deposits and clearing funds are permitted to be presented as custodial funds.

Basis of Accounting

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

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

Budgetary Process

The Ohio Revised Code requires that each fund (except certain custodial funds) be budgeted annually.

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

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

Encumbrances The Ohio Revised Code requires MetroParks to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 2023 budgetary activity appears in Note 3.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Deposit and Investments

MetroParks's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Investment in STAR Ohio is measured 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 an NAV per share that approximates fair value.

Capital Assets

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

Accumulated Leave

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

Leases

MetroParks is the lessee in various leases (as defined by GASB 87) related to buildings and other equipment under noncancelable leases. Lease disbursements are recognized when they are paid.

Fund Balance

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

Nonspendable MetroParks classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by MetroParks and the nonspendable portion of the corpus in permanent funds.

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

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

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2023

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 12.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2023 follows:

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$22,003,570	\$22,695,219	\$691,649
Special Revenue	5,778,899	963,459	(4,815,440)
Capital Projects	3,371,651	1,891,669	(1,479,982)
Total	<u>\$31,154,120</u>	<u>\$25,550,347</u>	<u>(\$5,603,773)</u>

2023 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$25,675,108	\$23,984,686	\$1,690,422
Special Revenue	5,788,219	946,517	4,841,702
Capital Projects	5,320,571	2,094,123	3,226,448
Total	<u>\$36,783,898</u>	<u>\$27,025,326</u>	<u>\$9,758,572</u>

Note 4 – Deposits and Investments

MetroParks maintains a deposits and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	2023
Demand deposits	<u>\$414,416</u>
Total deposits	<u>414,416</u>
Negotiable Certificates of Deposit	4,615,000
STAR Ohio	3,497,473
Federal Agency Security	500,006
Total investments	<u>8,612,479</u>
Total deposits and investments	<u>\$9,026,895</u>

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments

Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form. Raymond James and Associates provides custody for investment securities held in the name of MetroParks.

Note 5 – Property Taxes

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

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

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

Note 6 – Interfund Balances

Outstanding advances at December 31, 2023, consisted of \$302,111 advanced to grant funds for projects.

Note 7 – Risk Management

Workers' Compensation

Workers' Compensation coverage is provided by the State of Ohio. The MetroParks pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs..

Risk Pool Membership

MetroParks is a member of the Public Entities Pool of Ohio (the Pool). The Pool assumes the risk of loss up to the limits of the MetroParks' policy. The Pool covers the following risks:

- General liability and casualty;
- Public official's liability;
- Cyber;
- Law enforcement liability;
- Automobile liability;
- Vehicles;
- Property;
- Equipment breakdown.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2023

The Pool reported the following summary of actuarially-measured liabilities and the assets available to pay those liabilities as of December 31:

	<u>2023</u>
Cash and investments	\$43,996,442
Actuarial liabilities	\$19,743,401

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. For 2023, OPERS members in classifications other than law enforcement contributed 10% of their gross salaries. Members in law enforcement classifications, which consist generally of park rangers, contributed 13% of their gross salaries in 2023. MetroParks contributed an amount equaling 14% of participants' gross salaries for members other than law enforcement. MetroParks contributed an amount equal to 18.1% of participants' gross salaries for members of law enforcement. MetroParks has paid all contributions required through December 31, 2023.

Note 9 – Postemployment Benefits

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

For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Note 10 – Debt

MetroParks leases buildings and equipment under noncancelable leases. MetroParks disbursed \$393,297 to pay lease costs for the year ended December 31, 2023.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Amortization

Amortization of the above debt, including interest, is scheduled as follows:

Year Ending December 31:	Building Leases	Equipment Leases
2024	\$327,523	\$50,731
2025	332,116	37,440
2026	336,799	37,440
2027	288,298	
2028	17,976	
2029-2032	53,928	
Total	<u>\$1,356,640</u>	<u>\$125,611</u>

Note 11 – Contingent Liabilities

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

Note 12 – Fund Balances

Included in fund balance are amounts MetroParks cannot spend, including the balance of unclaimed monies, which cannot be spent for five years. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control.

The fund balance of special revenue funds is restricted. The fund balance of capital projects funds is committed and restricted. These restricted and committed amounts in the special revenue and capital projects funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned. As of December 31, 2023, MetroParks did not have any non-spendable balances or outstanding encumbrances in any governmental fund.

Note 13 – Contractual Commitments

At calendar year end, MetroParks had the following significant contractual commitment:

Project	Vendor	Outstanding Amount
Foxton Apartments Restoration	Stantec Consulting	\$546,124
Total		<u>\$546,124</u>

**FIVE RIVERS METROPARKS
MONTGOMERY COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Cash Receipts				
Levy Funds	\$19,145,493			\$19,145,493
Intergovernmental	941,956	\$529,318	\$3,377,408	4,848,682
Charges for Services	866,243			866,243
Investment Earnings	181,893	6,685		188,578
Gifts, Donations and Sponsorships	195,435		461,747	657,182
Miscellaneous	373,433	1,679	15,027	390,139
<i>Total Cash Receipts</i>	<u>21,704,453</u>	<u>537,682</u>	<u>3,854,182</u>	<u>26,096,317</u>
Cash Disbursements				
Current:				
Salaries and Benefits	14,645,731	21,348		14,667,079
Supplies and Operating Expenses	2,822,054	73,393		2,895,447
Contracts and Operating Services	2,444,138	1,384		2,445,522
Intergovernmental	470,217			470,217
Capital Outlay	854,912	810,011	4,708,099	6,373,022
<i>Total Cash Disbursements</i>	<u>21,237,052</u>	<u>906,136</u>	<u>4,708,099</u>	<u>26,851,287</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>467,401</u>	<u>(368,454)</u>	<u>(853,917)</u>	<u>(754,970)</u>
Other Financing Receipts (Disbursements)				
Transfers In		66,500	912,062	978,562
Transfers Out	(978,562)			(978,562)
Advances In	16,268	270,389	13,529	300,186
Advances Out	(283,918)	(15,782)	(486)	(300,186)
Other Financing Sources	145,380	2,900	1,600	149,880
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(1,100,832)</u>	<u>324,007</u>	<u>926,705</u>	<u>149,880</u>
<i>Net Change in Fund Cash Balances</i>	<u>(633,431)</u>	<u>(44,447)</u>	<u>72,788</u>	<u>(605,090)</u>
<i>Fund Cash Balances, January 1</i>	<u>7,887,754</u>	<u>669,768</u>	<u>2,013,211</u>	<u>10,570,733</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$7,254,323</u></u>	<u><u>\$625,321</u></u>	<u><u>\$2,085,999</u></u>	<u><u>\$9,965,643</u></u>

See accompanying notes to the financial statements.

**FIVE RIVERS METROPARKS
MONTGOMERY COUNTY**

**STATEMENT OF ADDITIONS, DEDUCTIONS,
AND CHANGES IN FUND BALANCE (REGULATORY CASH BASIS)
FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Custodial</u>
Additions	
Amounts Held for Employees	\$3,480,395
Other Amounts Collected for Distribution	<u>8,285</u>
<i>Total Additions</i>	<u>3,488,680</u>
Deductions	
Distributions to Other Governments	7,624
Distributions on Behalf of Employees	<u>3,674,324</u>
<i>Total Deductions</i>	<u>3,681,948</u>
<i>Net Change in Fund Cash Balance</i>	(193,268)
<i>Fund Cash Balance, January 1</i>	<u>903,847</u>
<i>Fund Cash Balance, December 31</i>	<u><u>\$710,579</u></u>

See accompanying notes to the financial statements.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 1 – Reporting Entity

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

The James M. Cox, Jr. Arboretum Foundation (the Cox Arboretum Foundation) is also associated with MetroParks. The Cox Arboretum Foundation is a not-for-profit organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Service Code. The primary objective of the Foundation is to provide a “living museum” for the Dayton community where people of all ages can come to learn about and engage with nature. The Foundation supports the management and operation of Cox Arboretum MetroPark. Further information regarding this organization can be obtained by writing James M. Cox, Jr. Arboretum Foundation, 6733 Springboro Pike, Dayton, Ohio 45449 or by phone at (937) 277-4839.

The Cox Arboretum Foundation is considered a component unit of MetroParks because the economic resources received or held by the Cox Arboretum Foundation are entirely for the direct benefit of Cox Arboretum MetroPark. MetroParks, is entitled to, or has the ability to otherwise access a majority of the economic resources received or held by the Cox Arboretum Foundation. The economic resources received or held by the Cox Arboretum Foundation that MetroParks, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The Five Rivers MetroParks Foundation (the FRMP Foundation) is associated with MetroParks. The FRMP Foundation is a not-for-profit organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Service Code. The primary purpose of the FRMP Foundation is to provide Five Rivers MetroParks with a 501(c)(3) entity for securing philanthropic funding for special projects, programming, and endowment. The FRMP Foundation provides a way for donors to support MetroParks with charitable contributions that will support all MetroParks or one specific park. Donations also can be directed to support educational and recreational services, as well as conservation initiatives. Further information can be obtained by contacting the Five Rivers MetroParks Foundation, 409 E. Monument Avenue, 3rd Floor, Dayton, Ohio 45402 or by phone at (937) 274-4381.

The FRMP Foundation is considered a component unit of MetroParks because the economic resources received or held by the FRMP Foundation are entirely for the direct benefit of MetroParks. MetroParks, is entitled to, or has the ability to otherwise access a majority of the economic resources received or held by the FRMP Foundation. The economic resources received or held by the FRMP Foundation that MetroParks, is entitled to, or has the ability to otherwise access, are significant to that primary government.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2022

The Wegerzyn Gardens Foundation (the Wegerzyn Foundation) is associated with MetroParks. The Wegerzyn Foundation is a not-for-profit organization exempt from Federal Income taxes under Section 501(c)(3) of the Internal Revenue Service Code. The primary purpose of the Wegerzyn Foundation is to conduct fundraising, to increase awareness and support the programs and continued development of Wegerzyn Gardens MetroPark, a facility of Five Rivers MetroParks. Further information can be obtained by contacting Wegerzyn Gardens Foundation, 1301 East Siebenthaler Avenue, Dayton, OH 45414 or by phone (937) 227-4839.

The Wegerzyn Foundation is considered a component unit of MetroParks because the economic resources received or held by the Wegerzyn Foundation are entirely for the direct benefit of MetroParks. MetroParks is entitled to or has the ability to otherwise access a majority of the economic resources received or held by the Wegerzyn Foundation. The economic resources received or held by the Wegerzyn Foundation that MetroParks, is entitled to, or has the ability to otherwise access, are significant to that primary government.

MetroParks participates in a public entity risk pool. Note 7 to the financial statements provides additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

State and Local Grants Fund – This fund receives proceeds from state agencies and donations. These proceeds are mainly used for projects and maintenance of MetroParks' capital items.

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

Federal Grants Fund – This fund receives proceeds from federal agencies. The proceeds are used for various MetroParks projects.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2022

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

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

OPWC Grant Fund – This fund receives proceeds from the Ohio Public Works Commission (OPWC). The proceeds are used for OPWC projects.

Fiduciary Funds Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. Trust funds account for assets held under a trust agreement meeting certain criteria.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. MetroParks' custodial funds account for sales taxes collected to be remitted to the State of Ohio and the employee portion of payroll deductions to be remitted to various entities.

For regulatory purposes, certain own source revenues are permitted to flow through clearing funds presented as custodial funds. Also, for regulatory purposes, certain deposits and clearing funds are permitted to be presented as custodial funds.

Basis of Accounting

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

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

Budgetary Process

The Ohio Revised Code requires that each fund (except certain custodial funds) be budgeted annually.

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

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

Encumbrances The Ohio Revised Code requires MetroParks to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are canceled, and reappropriated in the subsequent year.

A summary of 2022 budgetary activity appears in Note 3.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Deposit and Investments

MetroParks's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Investment in STAR Ohio is measured 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 an NAV per share that approximates fair value.

Capital Assets

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

Accumulated Leave

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

Leases

MetroParks is the lessee in various leases (as defined by GASB 87) related to buildings and other equipment under noncancelable leases. Lease disbursements are recognized when they are paid.

Fund Balance

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

Nonspendable MetroParks classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by MetroParks and the nonspendable portion of the corpus in permanent funds.

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

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

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2022

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 12.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$21,132,722	\$21,866,101	\$733,379
Special Revenue	6,485,839	877,471	(5,608,368)
Capital Projects	6,707,900	4,781,373	(1,926,527)
Total	<u>\$34,326,461</u>	<u>\$27,524,945</u>	<u>(\$6,801,516)</u>

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$25,571,705	\$22,499,532	\$3,072,173
Special Revenue	6,598,150	921,918	5,676,232
Capital Projects	4,816,725	4,708,585	108,140
Total	<u>\$36,986,580</u>	<u>\$28,130,035</u>	<u>\$8,856,545</u>

Note 4 – Deposits and Investments

MetroParks maintains a deposits and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	2022
Demand deposits	<u>\$322,642</u>
Total deposits	<u>322,642</u>
STAR Ohio	<u>10,353,580</u>
Total investments	<u>10,353,580</u>
Total deposits and investments	<u>\$10,676,222</u>

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments

Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

Note 5 – Property Taxes

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

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

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

Note 6 – Interfund Balances

Outstanding advances at December 31, 2022, consisted of \$318,645 advanced to grant funds for projects.

Note 7 – Risk Management

Workers' Compensation

Workers' Compensation coverage is provided by the State of Ohio. The MetroParks pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Risk Pool Membership

MetroParks is a member of the Public Entities Pool of Ohio (the Pool). The Pool assumes the risk of loss up to the limits of the MetroParks' policy. The Pool covers the following risks:

- General liability and casualty;
- Public official's liability;
- Cyber;
- Law enforcement liability;
- Automobile liability;
- Vehicles;
- Property;
- Equipment breakdown.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2022

The Pool reported the following summary of actuarially-measured liabilities and the assets available to pay those liabilities as of December 31:

	<u>2022</u>
Cash and investments	\$42,310,794
Actuarial liabilities	\$15,724,479

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. For 2022, OPERS members in classifications other than law enforcement contributed 10% of their gross salaries. Members in law enforcement classifications, which consist generally of park rangers, contributed 13% of their gross salaries in 2022. MetroParks contributed an amount equaling 14% of participants' gross salaries for members other than law enforcement. MetroParks contributed an amount equal to 18.1% of participants' gross salaries for members of law enforcement. MetroParks has paid all contributions required through December 31, 2022.

Note 9 – Postemployment Benefits

OPERS offers cost sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to Health Reimbursement Arrangement and Medicare Part B Premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for members in the member directed plan was 4.0 percent during the calendar year 2022.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

Note 10 – Debt

MetroParks leases buildings and equipment under noncancelable leases. MetroParks disbursed \$388,505 to pay lease costs for the year ended December 31, 2022.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Amortization

Amortization of the above debt, including interest, is scheduled as follows:

Year Ending December 31:	Building Leases	Equipment Leases
2023	\$323,021	\$65,370
2024	327,523	50,731
2025	332,116	37,440
2026	336,799	37,440
2027	288,298	0
2028-2033	71,904	
Total	<u>\$1,679,661</u>	<u>\$190,981</u>

Note 11 – Contingent Liabilities

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

Note 12 – Fund Balances

Included in fund balance are amounts MetroParks cannot spend, including the balance of unclaimed monies, which cannot be spent for five years. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control.

The fund balance of special revenue funds is restricted. The fund balance of capital projects funds is committed. These restricted and committed amounts in the special revenue and capital projects funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned. As of December 31, 2022, MetroParks did not have any non-spendable balances or outstanding encumbrances in any governmental fund.

OHIO AUDITOR OF STATE KEITH FABER



65 East State Street
Columbus, Ohio 43215
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Five Rivers MetroParks
Montgomery County
409 East Monument Avenue, 3rd Floor
Dayton, Ohio 45402

To the Board of Park Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for each governmental fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements of the Five Rivers Metroparks, Montgomery County, Ohio (the Metroparks) and have issued our report thereon dated December 18, 2024, wherein we noted the MetroParks followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the MetroParks' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the MetroParks' internal control. Accordingly, we do not express an opinion on the effectiveness of the MetroParks' 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 MetroParks' financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



Keith Faber
Auditor of State
Columbus, Ohio

December 18, 2024

OHIO AUDITOR OF STATE KEITH FABER



FIVE RIVERS METROPARKS

MONTGOMERY COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 1/9/2025

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

This report is a matter of public record and is available online at
www.ohioauditor.gov