



**Mary Taylor, CPA**  
Auditor of State

**Columbus And Franklin County  
Metropolitan Park District  
Franklin County, Ohio**

**General Purpose External Financial Statements  
For the Year Ended December 31, 2007**

**Local Government Services Section**

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*General Purpose External Financial Statements*  
*For The Year Ended December 31, 2007*

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Mary Taylor, CPA  
Auditor of State

September 15, 2008

Board of Commissioners  
Columbus And Franklin County Metropolitan Park District  
1069 West Main Street  
Westerville, Ohio 43081

We have compiled the accompanying basic financial statements of the Columbus And Franklin County Metropolitan Park District as of and for the year ended December 31, 2007, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management's Discussion And Analysis is required supplementary information that has been prepared by management. We have not compiled, reviewed, nor audited this information and, accordingly, assume no responsibility for it.

MARY TAYLOR, CPA  
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Peter R. Sorem  
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**COLUMBUS AND FRANKLIN COUNTY  
METROPOLITAN PARK DISTRICT  
Management's Discussion And Analysis  
For The Year Ended December 31, 2007  
(Unaudited)**

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The discussion and analysis of the Columbus And Franklin County Metropolitan Park District's financial performance provides an overall review of the District's financial activities for the year ended December 31, 2007. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

**FINANCIAL HIGHLIGHTS**

- The District's total net assets increased \$7,188,174.
- General revenues of governmental activities accounted for \$20,650,723 or 91.54 percent of all governmental revenues. Program specific revenues in the form of charges for services, grants, contributions, and interest accounted for \$1,908,299 or 8.46 percent of total governmental revenues of \$22,559,022.
- The District had \$15,370,848 in expenses related to governmental activities. \$1,908,299 of these expenses were offset by program specific charges for services, grants, contributions, and interest. General revenues (primarily property taxes and grants and entitlements not restricted) of \$20,650,723 were adequate to provide for these programs.

**USING THIS ANNUAL FINANCIAL REPORT**

This annual report consists of a series of financial statements. These statements are organized so that the reader can understand the Columbus And Franklin County Metropolitan Park District's financial situation as a whole and also give a detailed view of the District's financial condition.

The Statement Of Net Assets and the Statement Of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. The fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term, as well as the amount of funds available for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column.

**REPORTING THE DISTRICT AS A WHOLE**

One of the most important questions asked about the District is "How did we do financially during 2007?" The Statement Of Net Assets and the Statement Of Activities, which appear first in the District's financial statements, report information on the District as a whole and 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. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

**COLUMBUS AND FRANKLIN COUNTY**  
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These two statements report the District's net assets and changes in those assets. This change in net assets is important because it informs the reader that, for the District as a whole, the financial position of the District has improved or diminished. In evaluating the overall financial health, the reader of these financial statements needs to take into account non-financial factors that also impact the District's financial well-being. Some of these factors include the District's tax base and the condition of capital assets.

In the Statement Of Net Assets and the Statement Of Activities, the District has only one kind of activity.

Governmental Activities – All of the District's services are reported here including administrative services, education, park operations, park planning, park promotion, rental property, natural resource management, golf course operations, and park safety.

## **REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS**

### *Fund Financial Statements*

The analysis of the District's major funds begins on page 7. Fund financial reports provide detailed information about the District's major funds – not the District as a whole. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's major funds. The District's major funds are the General Fund, the Golf Course Special Revenue Fund, and the Capital Improvement Capital Projects Fund.

**Governmental Funds** – All of the District's activities 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 an accounting method called modified accrual 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 District's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the Statement Of Net Assets and the Statement Of Activities) and governmental funds is reconciled in the financial statements.

**COLUMBUS AND FRANKLIN COUNTY  
METROPOLITAN PARK DISTRICT  
Management's Discussion And Analysis  
For The Year Ended December 31, 2007  
(Unaudited)**

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**THE DISTRICT AS A WHOLE**

As stated previously, the Statement Of Net Assets provides the perspective of the District as a whole. Table 1 provides a summary of the District's net assets for 2007 compared to 2006.

Table 1  
Net Assets

	Governmental Activities		Increase (Decrease)
	2007	2006	
<b>Assets</b>			
Current And Other Assets	\$28,807,362	\$31,157,976	(\$2,350,614)
Land, Wetlands, Land Restoration And Construction in Progress	108,495,875	101,830,021	6,665,854
Depreciable Capital Assets, Net	27,698,469	25,152,382	2,546,087
Total Assets	165,001,706	158,140,379	6,861,327
<b>Liabilities</b>			
Current And Other Liabilities	13,133,475	13,514,960	(381,485)
Long-Term Liabilities:			
Due Within One Year	48,585	51,071	(2,486)
Due In More Than One Year	637,409	580,285	57,124
Total Liabilities	13,819,469	14,146,316	(326,847)
<b>Net Assets</b>			
Invested In Capital Assets	136,194,344	126,982,403	9,211,941
Restricted For:			
Capital Outlay	1,265,646	11,429,364	(10,163,718)
Other Purposes	460,663	473,033	(12,370)
Educational Programs:			
Expendable	105,775	85,924	19,851
Nonexpendable	267,054	267,054	0
Gardens At Inniswood - Nonexpendable	452,558	452,558	0
Unrestricted	12,436,197	4,303,727	8,132,470
Total Net Assets	\$151,182,237	\$143,994,063	\$7,188,174

**COLUMBUS AND FRANKLIN COUNTY  
METROPOLITAN PARK DISTRICT  
Management's Discussion And Analysis  
For The Year Ended December 31, 2007  
(Unaudited)**

Total assets increased \$6,861,327. A decrease of 7.54 percent occurred within current and other assets of governmental activities when compared to the prior year. Land, wetlands, land restoration and construction in progress increased 6.55 percent due to an increase in land purchases and construction in progress primarily relating to the continuing development of Whittier Park and Alum Creek Greenway Phase 1. Depreciable capital assets increased 10.12 percent due to infrastructure development, including roads and trails within the District.

The current and other liabilities decreased 2.82 percent primarily due to a decrease in contracts and retainage payable as a result of inclement weather conditions forcing minimal work to be completed at year-end for which payment was not made until 2008.

Invested in capital assets increased \$9,211,941. This is primarily due to current year capital assets additions exceeding current year depreciation. Land, construction in progress, and infrastructure, which includes roads and trails, experienced the largest increases.

Unrestricted net assets increased \$8,132,470. This is primarily due to the recording of Property Tax Revenues into the General Fund instead of the Capital Improvement Capital Projects Fund.

Table 2 shows the changes in net assets for the years ended December 31, 2007 and 2006.

Table 2  
Changes In Net Assets

	2007	2006	Increase/ (Decrease)
<b>Revenues</b>			
Program Revenues:			
Charges For Services	\$1,588,233	\$1,475,853	\$112,380
Operating Grants, Contributions, And Interest	120,680	577,855	(457,175)
Capital Grants And Contributions	199,386	3,119	196,267
Total Program Revenues	<u>\$1,908,299</u>	<u>\$2,056,827</u>	<u>(\$148,528)</u>
General Revenues:			
Property Taxes	12,335,414	12,296,765	38,649
Unrestricted Investment Earnings	770,790	641,665	129,125
Grants And Entitlements Not Restricted To Specific Programs:			
Operating	6,798,481	4,998,852	1,799,629
Capital	668,509	3,182,960	(2,514,451)
Contributions And Donations	474	3,298	(2,824)
Miscellaneous	77,055	268,330	(191,275)
Total General Revenues	<u>20,650,723</u>	<u>21,391,870</u>	<u>(741,147)</u>
Total Revenues	<u>\$22,559,022</u>	<u>\$23,448,697</u>	<u>(\$889,675)</u>

(continued)

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*Management's Discussion And Analysis*  
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Table 2  
Changes In Net Assets  
Governmental Activities  
(Continued)

	2007	2006	Increase/ (Decrease)
<b>Program Expenses</b>			
Administration	\$2,063,927	\$2,380,613	(\$316,686)
Education	2,210,735	1,954,427	256,308
Park Operations	5,507,206	5,221,104	286,102
Park Planning	351,644	691,809	(340,165)
Park Promotion	785,258	670,375	114,883
Rental Property	131,579	153,537	(21,958)
Natural Resource Management	384,911	420,093	(35,182)
Golf Course	1,246,693	1,039,037	207,656
Park Safety	2,688,895	2,260,490	428,405
Total Expenses	15,370,848	14,791,485	579,363
Increase In Net Assets	7,188,174	8,657,212	(1,469,038)
Net Assets At Beginning Of Year	143,994,063	135,336,851	8,657,212
Net Assets At End Of Year	\$151,182,237	\$143,994,063	\$7,188,174

**GOVERNMENTAL ACTIVITIES**

Program revenues, which are primarily represented by charges for District services, fines and charges generated by the golf course, as well as restricted intergovernmental revenues, restricted interest earnings and restricted donations, were 8.46 percent of total revenues for 2007 and were lower than 2006. The decrease is related to less grant money being received this year.

As previously mentioned, general revenues were 91.54 percent of total revenues for 2007. The .65 mill property tax levy is the largest source of revenue for the District, making up 54.68 percent of revenues for governmental activities for the year ended 2007. This levy is a ten-year levy that started in 1999 and will continue through 2008. The next largest source of revenue for the District is provided through unrestricted grants and entitlements being received.

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*Management's Discussion And Analysis*  
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Governmental program expenses as a percentage of total governmental expenses for 2007 are expressed as follows:

Administration	13.43%
Education	14.38
Park Operations	35.83
Park Planning	2.29
Park Promotion	5.11
Rental Property	0.86
Natural Resource Management	2.50
Golf Course	8.11
Park Safety	17.49
	<u>100.00%</u>

The above chart clearly indicates that the District's major source of expenses, 35.83 percent, is related to park operations. All other forms of governmental operations represent 64.17 percent of expenses.

#### **THE DISTRICT'S FUNDS**

Information about the District's major governmental funds begins on page 12. All governmental funds had total revenues of \$23,022,532 and expenditures of \$24,345,576. The General Fund balance increased \$6,850,913 as a result of the District recording Property Tax Revenues into the General Fund.

The Golf Course Special Revenue Fund balance decreased \$15,989 from the prior year. This was the result of an increase in utilities and capital expenditures related to the replacement of golf carts.

The Capital Improvement Capital Projects Fund balance decreased \$8,207,075, as a result of the District is no longer recording the Property Tax Revenues in this fund.

#### **GENERAL FUND BUDGETING HIGHLIGHTS**

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of receipts, disbursements, and encumbrances. The District's budget is adopted on a fund basis. Before the budget is adopted, the Board reviews detailed budget worksheets of each program within the General Fund and then adopts the budget on a fund basis.

Original General Fund budgeted revenues and other financing sources were \$12,528,000. The final budgeted revenues and other financing sources were \$20,545,015 resulting in a \$8,017,015 increase. The increase is largely related to the District recording Property Tax Revenues in this fund. As more accurate information was received, the District revised its revenues to reflect the more accurate estimates. Actual revenues and other financing sources were less than final budgeted revenues and other financing sources by \$853,566, which is due to a decrease in State shared taxes.

**COLUMBUS AND FRANKLIN COUNTY**  
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During 2007, the General Fund operated on one appropriation measure. Actual expenditures and other financing uses were less than the final budgeted expenditures and other financing uses by \$7,645,917 due to a budgeted transfer of \$7,000,000 was not made during the year.

The General Fund's ending fund balance was \$6,792,351 above the final budgeted amount.

## **CAPITAL ASSETS**

At the end of 2007, the District had \$136,194,344 invested in capital assets (net of accumulated depreciation) for governmental activities, an increase of \$9,211,941, or 7.25 percent from the prior year. The increase in capital assets is primarily related to an increase in land, construction in progress relating to the Alum Creek Greenway Phase 1 and the continuing development of Whittier Park projects and infrastructure additions including roads and trails.

See Note 9 of the Notes To The Basic Financial Statements for more detailed capital assets information.

## **CURRENT FINANCIAL ISSUES AND CONCERNS**

The District had a very successful 2007 with a seven percent growth in park visitation in 2007. The community continued to show great interest in spending time in the District. More than 6.5 million visitors enjoyed free outdoor recreational and educational activities. The parks and facilities continue to be clean, safe and well maintained even as new facilities are opened for public enjoyment.

Scioto Audubon Metro Park on the Whittier Peninsula remained a planning and construction focus for the District's team. Progress was made in addressing impacted soils and the area surrounding the boat ramps was greatly improved. Audubon Ohio anticipates beginning construction of the Grange Insurance Audubon Center in May 2008. The City of Columbus has delayed development of the adjoining lands on the Whittier Peninsula but is making progress on relocating facilities as required for completion of the park.

The District initiated the Metro Parks Urban Conservation Corps to provide jobs, training and conservation education for at-risk youth. The Urban Conservation Corps members were selected from area high schools and helped to complete projects in the District while learning skills and gaining exposure to conservation careers.

Good progress was realized in constructing the regional Greenway Trail system. Trails north of Three Creeks along Alum Creek were paved all the way to Livingston Avenue, with only a small gap in the trail at Petzinger Road. Additional trail mileage was completed along Blacklick Creek. Construction of the Darby Creek Greenway Trail in Battelle Darby Creek Metro Park was initiated. Additional trail improvements were made throughout the park system.

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*Management's Discussion And Analysis*  
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*(Unaudited)*

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The District hosted more special events in 2007 than ever before. The Big Bugs exhibit was a tremendous success with 600,000 visitors to Inniswood to see the sculpture exhibit. Programs and activities for seniors continue to be popular and well received. The Students Exploring Ecosystems school initiative was expanded to include more schools. The District hosted the Special Park District Forum, which showcased our facilities and operations to park leaders from across the nation.

The park system grew by 325 acres, with an additional 152 acres under contract. These new park properties bring the District's total conserved acreage to over 23,500 acres. Conservation of land and restoration of wildlife habitat remains a strong focus of the District's system.

Five habitat restoration projects are underway that will be completed in 2008 in our parks along Big Darby Creek. These conservation projects will help to improve water quality, provide homes for wildlife including many rare species, and add to the beauty and serenity of the District.

This year the District started recording levy monies into the General Fund instead of the Capital Improvements Capital Projects Fund. By implementing the Auditor of State's recommendation, the District has elected not to transfer money during 2007, from the General Fund to the Capital Improvements Fund in order to eliminate the fund balance that had accumulated. By doing this, Net Assets restricted for Capital Outlay decreased \$10,163,718. In future years, transfers will be made to the Capital Improvements Fund to fund projects when they get started or as money is needed.

**CONTACTING THE DISTRICT'S FINANCE DEPARTMENT**

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact William Ruff, Finance Director, Columbus And Franklin County Metropolitan Park District, 1069 West Main Street, Westerville, Ohio 43081.

**COLUMBUS AND FRANKLIN COUNTY  
METROPOLITAN PARK DISTRICT**  
*Statement Of Net Assets  
December 31, 2007*

	<b>Governmental Activities</b>
<b><u>Assets:</u></b>	
Equity In Pooled Cash And Cash Equivalents	\$11,595,785
Accounts Receivable	3,450
Due From Other Governments (See Note 8)	3,233,631
Prepaid Items	44,931
Property Taxes Receivable	13,465,556
Cash And Cash Equivalents With Fiscal Agents	464,009
Land, Wetlands, Land Restoration And Construction In Progress (See Note 9)	108,495,875
Depreciable Capital Assets, Net (See Note 9)	27,698,469
<i>Total Assets</i>	165,001,706
<b><u>Liabilities:</u></b>	
Accounts Payable	52,367
Accrued Wages And Benefits Payable	382,586
Contracts Payable	124,990
Matured Compensated Absences Payable	1,678
Retainage Payable	67,928
Due To Other Governments	138,689
Deferred Revenue	12,365,237
Long-Term Liabilities:	
Due Within One Year (See Note 13)	48,585
Due In More Than One Year (See Note 13)	637,409
<i>Total Liabilities</i>	13,819,469
<b><u>Net Assets:</u></b>	
Invested In Capital Assets	136,194,344
Restricted For:	
Capital Outlay	1,265,646
Other Purposes	460,663
Educational Programs:	
Expendable	105,775
Nonexpendable	267,054
Gardens At Inniswood - Nonexpendable	452,558
Unrestricted	12,436,197
<i>Total Net Assets</i>	\$151,182,237

See Accountants' Compilation Report  
See Accompanying Notes To The Basic Financial Statements

**COLUMBUS AND FRANKLIN COUNTY  
METROPOLITAN PARK DISTRICT  
Statement Of Activities  
For The Year Ended December 31, 2007**

	Expenses	Program Revenues			Net (Expense) Revenue And Changes In Net Assets
		Charges For Services	Operating Grants, Contributions, And Interest	Capital Grants And Contributions	Governmental Activities
<b><u>Governmental Activities:</u></b>					
Administration	\$2,063,927	\$65,622	\$35,613	\$0	(\$1,962,692)
Education	2,210,735	85,101	77,137	6,886	(2,041,611)
Park Operations	5,507,206	0	7,530	192,500	(5,307,176)
Park Planning	351,644	0	0	0	(351,644)
Park Promotion	785,258	7,087	0	0	(778,171)
Rental Property	131,579	325,083	0	0	193,504
Natural Resource Management	384,911	0	400	0	(384,511)
Golf Course	1,246,693	1,102,984	0	0	(143,709)
Park Safety	2,688,895	2,356	0	0	(2,686,539)
<i>Total Governmental Activities</i>	<u>\$15,370,848</u>	<u>\$1,588,233</u>	<u>\$120,680</u>	<u>\$199,386</u>	<u>(13,462,549)</u>
<b><u>General Revenues:</u></b>					
					12,335,414
					770,790
					6,798,481
					668,509
					474
					77,055
<i>Total General Revenues</i>					<u>20,650,723</u>
					7,188,174
					143,994,063
					<u>\$151,182,237</u>

See Accountants' Compilation Report  
See Accompanying Notes To The Basic Financial Statement:

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*Balance Sheet*  
**Governmental Funds**  
**December 31, 2007**

	<u>General</u>	<u>Golf Course</u>	<u>Capital Improvement</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b><u>Assets:</u></b>					
Equity In Pooled Cash And Cash Equivalents	\$9,301,259	\$474,333	\$1,235,076	\$585,117	\$11,595,785
Cash And Cash Equivalents With Fiscal Agents	464,009	0	0	0	464,009
Receivables:					
Property Taxes	13,465,556	0	0	0	13,465,556
Accounts	250	3,200	0	0	3,450
Due From Other Governments (See Note 8)	3,117,258	0	116,373	0	3,233,631
Prepaid Items	44,931	0	0	0	44,931
<b>Total Assets</b>	<b>\$26,393,263</b>	<b>\$477,533</b>	<b>\$1,351,449</b>	<b>\$585,117</b>	<b>\$28,807,362</b>
<b><u>Liabilities And Fund Balances:</u></b>					
<b><u>Liabilities:</u></b>					
Accounts Payable	\$6,546	\$607	\$45,214	\$0	\$52,367
Contracts Payable	0	0	124,990	0	124,990
Accrued Wages And Benefits Payable	356,587	25,999	0	0	382,586
Matured Compensated Absences Payable	1,678	0	0	0	1,678
Retainage Payable	0	0	67,928	0	67,928
Due To Other Governments	128,762	9,927	0	0	138,689
Deferred Revenue	16,189,522	3,200	116,373	0	16,309,095
<b>Total Liabilities</b>	<b>16,683,095</b>	<b>39,733</b>	<b>354,505</b>	<b>0</b>	<b>17,077,333</b>
<b><u>Fund Balances:</u></b>					
Reserved For Encumbrances	381,092	14,585	2,454,667	0	2,850,344
Reserved For Capital Improvements	452,558	0	0	0	452,558
Reserved For Education	0	0	0	105,775	105,775
Unreserved:					
Undesignated, (Deficit) Reported In:					
General Fund	8,876,518	0	0	0	8,876,518
Special Revenue Funds	0	423,215	0	59,959	483,174
Capital Projects Funds	0	0	(1,457,723)	152,329	(1,305,394)
Permanent Funds	0	0	0	267,054	267,054
<b>Total Fund Balances</b>	<b>9,710,168</b>	<b>437,800</b>	<b>996,944</b>	<b>585,117</b>	<b>11,730,029</b>
<b>Total Liabilities And Fund Balances</b>	<b>\$26,393,263</b>	<b>\$477,533</b>	<b>\$1,351,449</b>	<b>\$585,117</b>	<b>\$28,807,362</b>

See Accountants' Compilation Report  
See Accompanying Notes To The Basic Financial Statements

**COLUMBUS AND FRANKLIN COUNTY  
METROPOLITAN PARK DISTRICT**  
*Reconciliation Of Total Governmental Fund Balances To  
Net Assets Of Governmental Activities  
December 31, 2007*

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<b>Total Governmental Fund Balances</b>	<b>\$11,730,029</b>
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*Amounts reported for governmental activities in the Statement Of Net Assets are different because:*

Capital Assests used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	99,415,662
Wetlands	844,401
Land Restoration	971,854
Construction In Progress	7,263,958
Other Capital Assets	52,530,124
Accumulated Depreciation	<u>(24,831,655)</u>

Total	136,194,344
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Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:

Property Taxes	1,100,319
Due From Other Governments	2,840,339
Accounts	<u>3,200</u>

Total	3,943,858
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Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Compensated Absences	<u>(685,994)</u>
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<b>Net Assets of Governmental Activities</b>	<b><u><u>\$151,182,237</u></u></b>
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See Accountants' Compilation Report  
See Accompanying Notes To The Basic Financial Statements

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
**Statement Of Revenues, Expenditures And Changes In Fund Balances**  
**Governmental Funds**  
**For The Year Ended December 31, 2007**

	<u>General</u>	<u>Golf Course</u>	<u>Capital Improvement</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b><u>Revenues:</u></b>					
Property Taxes	\$12,288,598	\$0	\$0	\$0	\$12,288,598
Intergovernmental	6,570,791	0	1,608,211	0	8,179,002
Charges For Services	85,101	35,900	1,660	71,049	193,710
Golf Course	0	798,646	0	0	798,646
Fines And Forfeitures	2,356	0	0	0	2,356
Investment Earnings	344,090	0	419,300	25,126	788,516
Increase In Fair Value Of Investments	6,451	0	0	0	6,451
Rent	325,083	266,138	0	0	591,221
Contributions And Donations	59,327	0	6,363	31,287	96,977
Miscellaneous	39,394	1,060	36,601	0	77,055
<b>Total Revenues</b>	<b>19,721,191</b>	<b>1,101,744</b>	<b>2,072,135</b>	<b>127,462</b>	<b>23,022,532</b>
<b><u>Expenditures:</u></b>					
Current Operations And Maintenance:					
Administration:					
Salaries And Benefits	1,005,995	0	0	0	1,005,995
All Other	794,217	1,976	0	61,604	857,797
Education	2,075,192	0	0	0	2,075,192
Park Operations	4,621,695	5,338	0	0	4,627,033
Park Planning	307,223	0	45,214	0	352,437
Park Promotion	778,701	0	0	6,826	785,527
Rental Property	76,281	0	0	0	76,281
Natural Resource Management	384,596	0	0	0	384,596
Golf Course	30,119	1,003,381	0	0	1,033,500
Park Safety	2,297,188	0	0	0	2,297,188
Capital Outlay	508,996	107,038	10,233,996	0	10,850,030
<b>Total Expenditures</b>	<b>12,880,203</b>	<b>1,117,733</b>	<b>10,279,210</b>	<b>68,430</b>	<b>24,345,576</b>
Excess Of Revenues Over (Under) Expenditures	6,840,988	(15,989)	(8,207,075)	59,032	(1,323,044)
<b><u>Other Financing Sources:</u></b>					
Proceeds From Sale Of Capital Assets	9,925	0	0	0	9,925
<b>Net Change In Fund Balance</b>	<b>6,850,913</b>	<b>(15,989)</b>	<b>(8,207,075)</b>	<b>59,032</b>	<b>(1,313,119)</b>
<b>Fund Balances At Beginning Of Year</b>	<b>2,859,255</b>	<b>453,789</b>	<b>9,204,019</b>	<b>526,085</b>	<b>13,043,148</b>
<b>Fund Balances At End Of Year</b>	<b>\$9,710,168</b>	<b>\$437,800</b>	<b>\$996,944</b>	<b>\$585,117</b>	<b>\$11,730,029</b>

See Accountants' Compilation Report  
See Accompanying Notes To The Basic Financial Statements

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*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, 2007*

**Net Change in Fund Balances - Total Governmental Funds** (\$1,313,119)

*Amounts reported for governmental activities in the Statement Of Activities are different because:*

Governmental funds report capital outlays as expenditures. However, in the Statement Of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Asset Additions	10,499,542	
Donated Capital Assets	192,500	
Depreciation	<u>(1,218,731)</u>	
Excess Of Capital Outlay Over Depreciation Expense		9,473,311

The proceeds from the sale of capital assets are reported as revenue in the governmental funds. However, the cost of capital assets is removed from the capital assets account in the Statement Of Net Assets and offset against the proceeds from the sale of capital assets resulting in a loss on the sale of capital assets in the Statement Of Activities.

Proceeds From Sale Of Capital Assets	(9,925)	
Loss On Disposal Of Capital Assets	<u>(251,445)</u>	
		(261,370)

Some revenues that will not be collected for several months after the District's year-end are not considered "available" revenues and are deferred in the governmental funds. Deferred revenues changed by these amounts this year:

Property Taxes	46,816	
Intergovernmental	(705,126)	
Charges For Services	<u>2,300</u>	
		(656,010)

Some items reported as expenses in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:

Increase In Compensated Absences		<u>(54,638)</u>
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**Change in Net Assets of Governmental Activities** \$7,188,174

See Accountants' Compilation Report  
See Accompanying Notes To The Basic Financial Statements

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*Statement Of Revenues, Expenditures And Changes In*  
**Fund Balance - Budget And Actual (Budget Basis)**  
**General Fund**  
**For The Year Ended December 31, 2007**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Budgetary Actual</u>	<u>Variance Positive (Negative)</u>
<b><u>Revenues:</u></b>				
Property Taxes	\$0	\$12,365,237	\$12,288,598	(\$76,639)
Intergovernmental	4,719,930	7,086,461	6,537,199	(549,262)
Charges For Services	82,072	181,830	85,727	(96,103)
Fines And Forfeitures	0	0	2,356	2,356
Investment Earnings	329,420	542,676	344,090	(198,586)
Rent	310,984	313,873	324,833	10,960
Contributions And Donations	56,798	32,875	59,327	26,452
Miscellaneous	28,796	22,063	30,646	8,583
<b>Total Revenues</b>	<b>5,528,000</b>	<b>20,545,015</b>	<b>19,672,776</b>	<b>(872,239)</b>
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Administration:				
Salaries And Benefits	1,053,402	1,053,402	1,033,572	19,830
All Other	1,035,325	1,035,325	947,103	88,222
Education	2,115,393	2,115,393	2,057,785	57,608
Park Operations	4,847,697	4,847,697	4,690,114	157,583
Park Planning	320,942	320,942	308,672	12,270
Park Promotion	924,084	924,084	882,815	41,269
Rental Property	141,150	141,150	75,001	66,149
Natural Resource Management	415,838	415,838	398,234	17,604
Golf Course	35,025	35,025	29,180	5,845
Park Safety	2,406,203	2,406,203	2,299,263	106,940
Capital Outlay	632,768	632,768	556,255	76,513
<b>Total Expenditures</b>	<b>13,927,827</b>	<b>13,927,827</b>	<b>13,277,994</b>	<b>649,833</b>
Excess Of Revenues Over (Under) Expenditures	(8,399,827)	6,617,188	6,394,782	(222,406)
<b><u>Other Financing Sources (Uses):</u></b>				
Proceeds From Sale Of Capital Assets	0	0	9,925	9,925
Refund Of Prior Year Receipts	0	0	(3,916)	(3,916)
Refund Of Prior Year Expenditures	0	0	8,748	8,748
Transfers - In	7,000,000	0	0	0
Transfers - Out	(7,000,000)	(7,000,000)	0	7,000,000
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>(7,000,000)</b>	<b>14,757</b>	<b>7,014,757</b>
<b>Net Change In Fund Balance</b>	<b>(8,399,827)</b>	<b>(382,812)</b>	<b>6,409,539</b>	<b>6,792,351</b>
<b>Fund Balance At Beginning Of Year</b>	<b>2,128,962</b>	<b>2,128,962</b>	<b>2,128,962</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>380,823</b>	<b>380,823</b>	<b>380,823</b>	<b>0</b>
<b>Fund Balance At End Of Year</b>	<b>(\$5,890,042)</b>	<b>\$2,126,973</b>	<b>\$8,919,324</b>	<b>\$6,792,351</b>

See Accountants' Compilation Report  
See Accompanying Notes To The Basic Financial Statements

**COLUMBUS AND FRANKLIN COUNTY  
METROPOLITAN PARK DISTRICT**  
*Statement Of Revenues, Expenditures And Changes In  
Fund Balance - Budget And Actual (Budget Basis)  
Golf Course Special Revenue Fund  
For The Year Ended December 31, 2007*

	<i>Original Budget</i>	<i>Revised Budget</i>	<i>Budgetary Actual</i>	<i>Variance Positive (Negative)</i>
<b><u>Revenues:</u></b>				
Charges For Services	\$30,000	\$30,000	\$35,900	\$5,900
Golf Course	844,000	844,000	798,646	(45,354)
Rent	251,000	251,000	266,138	15,138
Miscellaneous	0	0	1,020	1,020
<i>Total Revenues</i>	<u>1,125,000</u>	<u>1,125,000</u>	<u>1,101,704</u>	<u>(23,296)</u>
<b><u>Expenditures:</u></b>				
Current Operations And Maintenance:				
Administration	14,801	14,801	3,481	11,320
Park Operations	29,500	29,500	5,338	24,162
Golf Course	1,015,146	1,015,146	1,017,915	(2,769)
Capital Outlay	105,925	105,925	107,038	(1,113)
<i>Total Expenditures</i>	<u>1,165,372</u>	<u>1,165,372</u>	<u>1,133,772</u>	<u>31,600</u>
Excess Of Revenues Under Expenditures	(40,372)	(40,372)	(32,068)	8,304
<b><u>Other Financing Sources:</u></b>				
Refund Of Prior Year Expenditures	0	0	40	40
<i>Net Change In Fund Balance</i>	(40,372)	(40,372)	(32,028)	8,344
<i>Fund Balance At Beginning Of Year</i>	435,408	435,408	435,408	0
<i>Prior Year Encumbrances Appropriated</i>	<u>56,368</u>	<u>56,368</u>	<u>56,368</u>	<u>0</u>
<i>Fund Balance At End Of Year</i>	<u>\$451,404</u>	<u>\$451,404</u>	<u>\$459,748</u>	<u>\$8,344</u>

See Accountants' Compilation Report  
See Accompanying Notes To The Basic Financial Statements

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*Notes To The Basic Financial Statements*  
*For The Year Ended December 31, 2007*

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**NOTE 1 - DESCRIPTION OF THE DISTRICT AND REPORTING ENTITY**

The Columbus and Franklin County Metropolitan Park District (the “District”) is a body politic established to exercise the rights and privileges conveyed to it under the authority of Section 1545.01, Ohio Revised Code.

The District’s governing body is a three member Board of Commissioners appointed by the probate judge of Franklin County. The District is classified as a related organization of Franklin County.

The District acquires land for conversion into forest reserves and for the conservation of 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, protect and promote the use of same as the Board deems conducive to the general welfare. These activities are directly controlled by the Board through the budgetary process and are included within this report.

In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Columbus and Franklin County Metropolitan Park District and its potential component units consistent with *Governmental Accounting Standards Board Statement No. 14, “The Financial Reporting Entity.”*

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District, in that the District approves the organization’s budget, the issuance of its debt, or the levying of its taxes. The District has no component units.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the 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 District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the District’s accounting policies are described below.

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*Notes To The Basic Financial Statements*  
*For The Year Ended December 31, 2007*

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

**A. BASIS OF PRESENTATION**

The District's basic financial statements consist of government-wide statements, including a Statement Of Net Assets and a Statement Of Activities, and fund financial statements which provide a more detailed level of financial information.

*GOVERNMENT-WIDE FINANCIAL STATEMENTS*

The Statement Of Net Assets and the Statement Of Activities display information about the District as a whole. These statements include all financial activities of the District. The statements usually distinguish between those activities of the District that are governmental in nature and those that are considered business-type activities. The District, however, has no activities that are classified as business-type.

The Statement Of Net Assets presents the financial condition of the governmental activities of the District at year-end. The Statement Of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

*FUND FINANCIAL STATEMENTS*

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

**B. FUND ACCOUNTING**

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. All funds of the District are governmental funds.

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*Notes To The Basic Financial Statements*  
*For The Year Ended December 31, 2007*

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

Governmental funds are those through which most governmental functions 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 purpose 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 District's major governmental funds:

General Fund – This fund is the operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Golf Course – This fund accounts for the operation of the Blacklick Woods Golf Course.

Capital Improvement – This fund accounts for various acquisition, construction and improvement projects. These projects are financed from tax dollars, local resources and federal and State grants.

The other governmental funds of the District account for contributions and donations and other resources whose use is restricted for a particular purpose.

**C. MEASUREMENT FOCUS**

*GOVERNMENT-WIDE FINANCIAL STATEMENTS*

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the Statement Of Net Assets. The Statement Of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets.

*FUND FINANCIAL STATEMENTS*

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. The Statement Of Revenues, Expenditures And Changes In Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*Notes To The Basic Financial Statements*  
*For The Year Ended December 31, 2007*

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

**D. BASIS OF ACCOUNTING**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

*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. “Measurable” means that the amount of the transaction can be determined and “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 District, available means expected to be received within thirty-one days of year-end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). 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 District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: state-levied locally shared taxes, charges for services (including program fees and merchandise sales), fines and forfeitures, grants and rentals.

*DEFERRED REVENUE*

Deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2007, but were levied to finance 2008 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*Notes To The Basic Financial Statements*  
*For The Year Ended December 31, 2007*

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

*EXPENSES/EXPENDITURES*

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**E. CASH AND CASH EQUIVALENTS**

To improve cash management, cash received by the District is pooled. Monies for all funds, except for money held by Franklin County and the Inniswood Permanent Fund, are maintained in this pool. Individual fund integrity is maintained through the District's records. Interest in the pool is presented as "Equity In Pooled Cash And Cash Equivalents" on the financial statements. The District also has an amount with Franklin County, who processes the District's payroll, to cover any payroll adjustments. The cash in the Inniswood Permanent Fund is held by the Columbus Foundation. The balances in these accounts are presented on the financial statements as "Cash And Cash Equivalents With Fiscal Agents."

During 2007, the District's investments were limited to the Allegiant Government Mortgage Fund Class I #406 Mutual Fund and the State Treasury Asset Reserve of Ohio (STAROhio). Investments in the mutual fund are reported at fair value which is based on the Fund's share price.

The District has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio) during 2007. STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on December 31, 2007.

Interest income is distributed to the funds according to Ohio constitutional and statutory requirements. Interest revenue credited to the General Fund during 2007 amounted to \$344,090 which includes \$179,722 assigned from other funds.

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are reported as cash equivalents on the financial statements.

**F. PREPAID ITEMS**

Payments made to vendors for services that will benefit periods beyond December 31, 2007, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which the services are consumed.

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*Notes To The Basic Financial Statements*  
*For The Year Ended December 31, 2007*

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

**G. CAPITAL ASSETS**

General capital assets are capital assets that are associated with and generally rise from governmental activities. These assets generally result from expenditures in governmental funds. These assets are reported in the governmental activities column of the government-wide Statement Of Net Assets but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values on the date donated. The District maintains a capitalization threshold of one thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets, except land, wetlands, land restoration, and construction in progress, are depreciated. The District has elected to report Wetlands and Land Restoration as separate non-depreciable capital assets. The value of wetland is the cost the District incurred to restore or create wetlands on District property. Land Restoration is the cost incurred to restore acquired land back to its natural habitat by removing levees and planting trees and grasses. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the District's historical records of necessary improvements and replacements.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Descriptions</u>	<u>Estimated Life</u>
Land Improvements	10 - 25 years
Buildings	40 years
Equipment	7 years
Furnishings	5 years
Radios	5 years
Vehicles	5 years
Computer Equipment	6 years
Infrastructure:	50 years
Roads	10-50 years
All Purpose Trails	50 years
Other paved Areas	5-30 years

In the case of the initial capitalization of general infrastructure assets the District chose to include all such items regardless of their acquisition date

**H. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*Notes To The Basic Financial Statements*  
*For The Year Ended December 31, 2007*

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

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, compensated absences that will be paid from governmental funds are reported as liabilities in the fund financial statements only to the extent that they are due for payment during the current year.

**I. COMPENSATED ABSENCES**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based upon the District's past experience of making termination payments.

The entire compensated absences liability is reported on the government-wide financial statements. On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees will be paid.

**J. FUND BALANCE RESERVES**

Reserves of fund equity in governmental funds indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund equity reserves have been established for encumbrances, capital improvements, and education. The reserve for capital improvements recognizes contributions used to support capital related improvements and maintenance at the Inniswood Park gardens. The reserve for education recognizes contributions and interest earnings received that are to be used to support the educational activities of the District.

**K. INTERNAL ACTIVITY**

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement Of Activities. Payments for interfund services provided and used are not eliminated.

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

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*Notes To The Basic Financial Statements*  
*For The Year Ended December 31, 2007*

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

**L. NET ASSETS**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include funds for the operation of recreational activities.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The government-wide Statement Of Net Assets reports \$2,551,696 of restricted net assets, none of which is restricted by enabling legislation.

**M. BUDGETARY PROCESS**

All funds of the District are legally required to be budgeted and appropriated. 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 tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of control has been established by the Board at the fund level. The Finance Director has been authorized to allocate appropriations to the function and object level within each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts reflect the amounts in the amended certificate in effect at the time final appropriations were passed by the Board.

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year, including all supplemental appropriations.

**N. ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from these estimates.

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**NOTE 3 - RESTATEMENT OF FUND BALANCE/NET ASSETS**

During 2007, it was discovered that compensated absences had been calculated incorrectly in the prior year. Also during 2007, the District added infrastructure assets acquired prior to 2004. Net assets were restated at December 31, 2007, as follows:

	<i>Governmental</i>
	<i>Activities</i>
	<hr/>
Net Assets, December 31, 2006	\$140,180,000
Restatement of Compensated Absences	108,868
Restatement of Capital Assets, Net of Depreciation	3,705,195
Net Assets, December 31, 2006 as Restated	<hr/> <hr/>

During 2007, the District had a reclassification of fund balance which resulted in the following:

	General	Golf	Capital	Nonmajor	Total
	Fund	Course	Improvement	Funds	Governmental
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance, December 31, 2006	\$2,406,697	\$453,789	\$9,204,019	\$978,643	\$13,043,148
Fund Balance Reclassification	452,558	0	0	(452,558)	0
Fund Balance, December 31, 2006, As Restated	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**NOTE 4 - COMPLIANCE**

The General Fund had original appropriations for 2007 that exceeded original estimated resources and available fund balance by \$5,890,042 contrary to Ohio Revised Code Section 5705.39.

The Capital Improvement Capital Projects Fund had a deficit fund balance of \$1,412,507 due to outstanding prior year encumbrances exceeding current year cash contrary to Ohio Revised Code Section 5705.10.

The District will monitor budgetary controls more closely in the future to alleviate such compliance issues.

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position and results of operations on the basis of generally accepted accounting principles (GAAP), the budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement Of Revenues, Expenditures And Changes In Fund Balance – Budget And Actual (Budget Basis) is presented for the General Fund and the Golf Course Special Revenue Fund on the budgetary basis to provide a meaningful comparison of actual results with the budget.

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**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING** (continued)

The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- (c) Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
- (d) Investments are recorded at fair value (GAAP basis) rather than cost (budget basis).
- (e) Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statements.

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis for the General Fund and the Golf Course Special Revenue Fund are as follows:

Net Change in Fund Balance		
	General Fund	Golf Course Fund
GAAP Basis	\$6,850,913	(\$15,989)
Increases (Decreases) Due To:		
Revenue Accruals	(495,250)	0
Expenditure Accruals	(14,772)	(1,454)
Encumbrances	(386,935)	(14,585)
Change In Fair Value		
Of Investments	(1,713)	0
Unrecorded Cash	457,296	0
Budget Basis	\$6,409,539	(\$32,028)

**NOTE 6 - DEPOSIT AND INVESTMENTS**

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

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

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**NOTE 6 - DEPOSIT AND INVESTMENTS** (continued)

Inactive deposits are public deposits that the Board 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 may be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or other obligations or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio); and,
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time.

*Investments:* As of December 31, 2007, the District had the following investments. All investments, except the Allegiant Government Mortgage Fund Class I #406 Mutual Fund, are in an internal investment pool.

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**NOTE 6 - DEPOSIT AND INVESTMENTS** (continued)

	Fair Value	Investment Maturities (in Years)	
		Less than 1	1 - 2
STAROhio	\$9,708,070	\$9,708,070	\$0
Allegiant Government Mortgage Fund			
Class I #406 Mutual Fund	455,330	0	455,330
Totals	<u>\$10,163,400</u>	<u>\$9,708,070</u>	<u>\$455,330</u>

*Interest Rate Risk:* As a means of limiting its exposure to fair value losses caused by rising interest rates, the District's investment policy requires that, to the extent possible, investments will match anticipated cash flow requirements. No investment shall be made unless the Finance Director, at the time of making the investment, reasonably expects it can be held to its maturity. Unless matched to a specific obligation or debt of the District, the District will not directly invest in securities maturing more than five years from the date of investment.

*Credit Risk:* STAROhio carries a rating of AAAM by Standard and Poor's. The Allegiant Government Mortgage Fund Class I #406 Mutual Fund carries a rating of AAAM by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service and that the Mutual Fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service. The District has no policy regarding credit risk.

**NOTE 7 - PROPERTY TAX**

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in Franklin County. Property tax revenue received during 2007 for real and public utility property taxes represents collections of 2006 taxes. Property tax payments received during 2007 for tangible personal property (other than public utility property) are for 2007 taxes.

2007 real property taxes are levied after October 1, 2007, on the assessed value as of January 1, 2007, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2007 real property taxes are collected in and intended to finance 2008.

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. 2007 public utility property taxes became a lien December 31, 2006, are levied after October 1, 2007, and are collected in 2008 with real property taxes.

2007 tangible personal property taxes are levied after October 1, 2006, on the value as of December 31, 2006. Collections are made in 2007. In prior years, tangible personal property was assessed at 25 percent of true value for capital assets and 23 percent of true value for inventory. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008 and zero for 2009.

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.

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**NOTE 7 - PROPERTY TAX** (continued)

Tangible personal property taxes paid by multi-county taxpayers are due by September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Columbus And Franklin County Metropolitan Park District. The County Auditor periodically remits to the District its portion of the taxes. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2007, and for which there is an enforceable legal claim. In the governmental funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2007 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

The full tax rate for all District operations for the year ended December 31, 2007, was \$0.65 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2007 property tax receipts were based are as follows:

Category	Assessed Value
Real Property:	
Agricultural/Residential	\$19,036,047,390
Commercial/Industrial/Mineral	7,795,862,850
Public Utility Real	11,034,340
Tangible Personal Property:	
General Business	633,871,972
Public Utility	553,976,680
Total	\$28,030,793,232

The District has a .65 mill property tax levy that started in 1999 and will run through 2008, for the purpose of conserving natural resources; developing, improving, maintaining, and operating the various parks and other properties of the District; and for acquiring, developing, improving, maintaining and operating additional lands. In the prior year the District recorded all of the levy monies into the Capital Improvement Capital Projects Fund. During 2007, The District started recording all of the levy monies into the General Fund. Transfers to the Capital Improvement Capital Projects fund will be made when funds are needed to complete projects.

**NOTE 8 - RECEIVABLES**

Receivables at December 31, 2007, consisted of property taxes, accounts (billings for user charged services), and due from other governments. All receivables are considered fully collectible and will be collected within one year with the exception of property taxes. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year.

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**NOTE 8 – RECEIVABLES** (continued)

A summary of the principal items due from other governments follows:

	Amount
<u>Governmental Activities</u>	
Local Government	\$2,545,946
Homestead And Rollback	550,823
Personal Property Reimbursement	20,489
Pleasant Valley Quarry Habitat Restoration	108,510
WRRSP - Darby Creek Watershed Restoration	7,863
Total Due From Other Governments	\$3,233,631

**NOTE 9 - CAPITAL ASSETS**

Capital assets activity for the year ended December 31, 2007, was as follows:

	Restated Balance At 12/31/2006	Additions	Deletions	Balance At 12/31/2007
<u>Governmental Activities</u>				
Capital Assets, Not Being Depreciated:				
Land	\$93,961,349	\$5,454,313 #	\$0	\$99,415,662
Wetlands	844,401	0	0	844,401
Land Restoration	437,013	534,841	0	971,854
Construction in Progress	6,587,258	3,937,515	(3,260,815)	7,263,958
Total Capital Assets Not Being Depreciated	101,830,021	9,926,669	(3,260,815)	108,495,875
Depreciable Capital Assets:				
Land Improvements	2,388,727	441,222	0	2,829,949
Wetlands	0	0	0	0
Buildings	20,623,506	476,275	(308,217)	20,791,564
Equipment	3,343,628	275,552	(98,683)	3,520,497
Furnishings	120,069	8,081	(20,382)	107,768
Radios	243,943	20,487	(9,150)	255,280
Vehicles	1,310,863	210,936	(95,805)	1,425,994
Computer Equipment	195,118	27,231	0	222,349
Infrastructure	20,810,319	2,566,404	0	23,376,723
Total Depreciable Capital Assets	49,036,173	4,026,188	(532,237)	52,530,124
Total Capital Assets At Historical Cost	\$150,866,194	\$13,952,857	(\$3,793,052)	\$161,025,999

(continued)

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
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**NOTE 9 - CAPITAL ASSETS** (continued)

	Restated Balance At 12/31/2006	Additions	Deletions	Balance At 12/31/2007
<u>Governmental Activities</u>				
Less Accumulated Depreciation:				
Land Improvements	(\$799,755)	(\$148,610)	\$0	(\$948,365)
Buildings	(6,679,113)	(504,221)	61,643	(7,121,691)
Equipment	(2,741,690)	(217,477)	90,076	(2,869,091)
Furnishings	(120,069)	(1,616)	20,382	(101,303)
Radios	(204,109)	(19,436)	9,150	(214,395)
Vehicles	(1,042,660)	(149,084)	89,616	(1,102,128)
Computer Equipment	(156,394)	(17,543)	0	(173,937)
Infrastructure	(12,140,001)	(160,744)	0	(12,300,745)
Total Accumulated Depreciation	<u>(23,883,791)</u>	<u>(1,218,731) *</u>	<u>270,867</u>	<u>(24,831,655)</u>
Depreciable Capital Assets, Net	<u>25,152,382</u>	<u>2,807,457</u>	<u>(261,370)</u>	<u>27,698,469</u>
Governmental Activities Capital Assets, Net	<u>\$126,982,403</u>	<u>\$12,734,126</u>	<u>(\$3,522,185)</u>	<u>\$136,194,344</u>

# \$192,500 of the additions consisted of assets donated by private individuals.

\* Depreciation expense was charged to governmental programs as follows:

Administration	\$66,927
Education	113,050
Park Operations	667,539
Rental Property	55,298
Natural Resource Management	1,171
Golf Course	194,988
Park Safety	119,758
Total Depreciation Expense	<u>\$1,218,731</u>

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**NOTE 10 - DEFINED BENEFIT PENSION PLAN**

**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**

Plan Description - The District participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2007, members in state and local classifications contributed 9.5 percent of covered payroll, public safety members contributed 9.75 percent, and law enforcement members contributed 10.1 percent.

The District's contribution rate for 2007 was 13.85 percent, except for those plan members in law enforcement or public safety, for whom the District's contribution was 17.17 percent of covered payroll. For the period January 1 through June 30, a portion of the District's contribution equal to 5.0 percent of covered payroll was allocated to fund the post-employment health care plan; for the period July 1 through December 31, 2007 this amount was increased to 6 percent. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the District of 14.0 percent, except for public safety and law enforcement, where the maximum employer contribution rate is 18.1 percent.

The District's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2007, 2006, and 2005 were \$561,933, \$629,497 and \$645,140 respectively; 94.4 percent has been contributed for 2007 and 100 percent for 2006 and 2005. No contributions to the member-directed plan were made by the District or plan members in 2007.

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**NOTE 11 - POSTEMPLOYMENT BENEFITS**

**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**

Plan Description - OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the traditional and combined pension plans. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment health care. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

To qualify for post-employment health care coverage, age and service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The post-employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401 (h). State statute requires that public employers fund post-employment health care through contributions to OPERS. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2007, local government employers contributed 13.85 percent of covered payroll (17.17 percent for public safety and law enforcement). Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. The amount of the employer contributions which was allocated to fund post-employment health care was 5.0 percent of covered payroll from January 1 through June 30, 2007, and 6.0 percent from July 1 to December 31, 2007.

The retirement board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or the retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

The District's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2007, 2006, and 2005 were \$429,503, \$307,906 and \$270,216 respectively; 76.43 percent has been contributed for 2007 and 100 percent for 2006 and 2005.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan which was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

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**NOTE 12 - EMPLOYEE BENEFITS**

**A. COMPENSATED ABSENCES**

Vacation leave accumulates at the completion of each two week payroll cycle, reflecting hours worked and longevity, beginning with the full-time employee's first payroll period. Part-time employees are eligible to earn vacation at a rate of .025 for each hour worked. Vacation can be accumulated up to a maximum of two years for full-time employees and up to 40 hours for part-time employees. Employees are paid for earned, unused vacation leave at the time of termination of employment.

Sick leave is earned bi-weekly at the rate of 2.3077 hours for each week worked, beginning with the date of appointment to a full-time position and can be accumulated without limit. Upon retirement or termination, employees with 10 or more years of service with the District will be paid for one-fourth of their accumulated hours of sick leave up to a maximum of 30 days. In the event that an employee dies as a result of injuries sustained on the job, his or her estate will be paid the total allowable amount of all earned unused sick leave.

Full-time employees working in excess of designated work hours are entitled to compensatory time, while part-time and seasonal employees working in excess of designated work hours will be paid for overtime. Compensatory time may be accumulated up to 240 hours. Employees who accumulate in excess of 240 hours will be paid for the excess hours at the next pay date. Employees are paid for earned, unused compensatory time at the time of termination of employment.

Holiday time may be accumulated by park rangers, but must be used prior to year-end.

**B. INSURANCE**

The District provides hospitalization and surgical insurance through United Healthcare of Ohio, Inc. The prescription drug plan is provided through CatalystRX Services. Dental insurance is provided through Aetna Dental. Vision insurance is provided through Spectera. Life insurance is provided through U. S. Life Insurance Company.

**C. DEFERRED COMPENSATION**

District employees may participate in the Ohio Public Employees Deferred Compensation Plan or the County Commissioners Association of Ohio Deferred Compensation Plan. These plans were created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to both plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

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**NOTE 13 - LONG-TERM OBLIGATIONS**

The change in the District's long-term obligations during the year consisted of the following:

Types / Issues	Restated			Balance 12/31/07	Due Within One Year
	Balance 12/31/06	Issued	Retired		
<b><u>Governmental Activities</u></b>					
Compensated Absences	\$631,356	\$107,766	\$53,128	\$685,994	\$48,585

Compensated absences will be paid from the General Fund and the Golf Course Special Revenue Fund.

**NOTE 14 - RISK MANAGEMENT**

The 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 2007, the District contracted with several companies for various types of insurance coverage as follows:

Westfield Group	Property (\$1,000 deductible)	\$19,023,886
	Inland Marine (\$500 deductible)	3,012,244
	Boiler and Machinery (\$1,000 deductible)	19,023,886
	Crime (\$500 deductible)	10,000
	General Liability - Occurrence	1,000,000
	Aggregate	2,000,000
Ohio Farmers	Automobile Liability	1,000,000
	Bond for Finance Director	500,000
	Public Officials (\$10,000 deductible)	1,000,000
	Employment Practices (\$10,000 deductible)	1,000,000
American Alternative	Commercial Umbrella (\$10,000 Retention)	10,000,000

The District 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.

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**NOTE 15 - CONTRACTUAL COMMITMENTS**

At December 31, 2007, the District's significant contractual commitments consisted of:

<u>Projects</u>	<u>Contract Amount</u>	<u>Amount Completed</u>	<u>Balance at 12/31/2007</u>
Darby Creek Greenway Trail	\$271,462	\$155,210	\$116,252
Darby Creek Greenway Trail - Engineering	30,495	10,910	19,585
Darby Dan EPA Restoration	84,656	61,696	22,960
Blacklick Greenway At State Route 33	264,360	237,087	27,273
Blacklick Greenway At State Route 33 - Environmental Study	227,673	221,454	6,219
Engineering - Pleasant Valley Quarry Reclamation - BDC	425,929	420,900	5,029
Park Sidner Restoration	48,516	35,666	12,850
Day Camp Facility At Highbanks Metro Park	426,698	423,298	3,400
Day Camp Shelter	40,503	12,675	27,828
Blacklick Creek Greenway Trail Phase 7	21,011	9,677	11,334
Blacklick Creek Greenway Phase 9	55,268	32,806	22,462
District Office Interior Paint	7,800	2,000	5,800
Alum Creek Greenway Phase 1	1,392,365	1,303,550	88,815
Learning Center At Glacier Ridge Metro Park	377,844	351,452	26,392
Whittier Metro Park	4,517,206	4,278,560	238,646
Whittier Peninsula	1,048,168	1,036,219	11,949
District-Wide Signage	46,381	34,065	12,316
District-Wide Picnic Area Trees	45,441	20,912	24,529
Sheets Stream Restoration/Reforestation	57,857	0	57,857
Angel Stream Restoration/Reforestation	19,658	0	19,658
Glacier Ridge Water Service	25,607	5,948	19,659
Totals	<u>\$9,434,898</u>	<u>\$8,654,085</u>	<u>\$780,813</u>

**NOTE 16 - CONTINGENT LIABILITIES**

**A. FEDERAL AND STATE GRANTS**

For the period January 1, 2007, to December 31, 2007, the District received federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the District believes such disallowance, if any, would be immaterial.

**B. LITIGATION**

The District is not party to any legal proceedings.

**COLUMBUS AND FRANKLIN COUNTY**  
**METROPOLITAN PARK DISTRICT**  
*Notes To The Basic Financial Statements*  
*For The Year Ended December 31, 2007*

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**NOTE 17 - DONOR RESTRICTED ENDOWMENTS**

The District's permanent funds include donor restricted endowments. Endowments, in the amount of \$719,612, represent the principal portion. The amount of net appreciation in donor restricted investments that is available for expenditures by the District is \$105,775 and is included as held in trust for educational programs. State law permits the District to appropriate, for purposes consistent with the endowment's intent, net appreciation, realized and unrealized, unless the endowment terms specify otherwise. The endowments indicate that the interest should be used to provide educational programs.