

Cash Basis Annual Financial Report

For the Year Ended December 31, 2021

This is an Unaudited Financial Statement

I certify the following report to be correct and true, to the best of my knowledge.

(Chief Fiscal Officer Sign Above)

(Date)

William Tschirhart

(Type or Print Name)

Chief of Administration

(Chief Fiscal Officer Title)

409 E Monument Avenue, 3rd Floor

(Street Address)

Dayton, Ohio

(City)

45402

(Zip)

Montgomery

(County)

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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, 2021

	General	Special Revenue	Capital Funds	Totals (Memorandum Only)
Cash Receipts				
Levy Funds	18,780,694	0	0	18,780,694
Intergovernmental (LGF, Homestead, Grants)	1,023,459	1,384,763	86,540	2,494,763
Charges for Services	572,149	0	0	572,149
Investment Earnings	10,068	421	0	10,489
Gifts, Donations and Sponsorships	151,303	0	200,500	351,803
Miscellaneous	277,618	1,455	10,403	289,476
<i>Total Cash Receipts</i>	<u>20,815,292</u>	<u>1,386,640</u>	<u>297,444</u>	<u>22,499,375</u>
Cash Disbursements				
Current:				
Salaries and Benefits	13,740,679	18,963	0	13,759,643
Supplies and Operating Expenses	2,585,147	22,662	0	2,607,809
Contracts and Operating Services	2,069,779	25,686	0	2,095,465
Intergovernmental	401,264	0	0	401,264
Capital Outlay	559,827	1,901,228	992,977	3,454,032
<i>Total Cash Disbursements</i>	<u>19,356,697</u>	<u>1,968,538</u>	<u>992,977</u>	<u>22,318,212</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,458,595</u>	<u>-581,899</u>	<u>-695,534</u>	<u>181,163</u>
Other Financing Receipts (Disbursements)				
Transfers In	0	29,334	1,253,469	1,282,803
Transfers Out	(1,282,803)	0	0	-1,282,803
Advances In	0	50,509	486	50,995
Advances Out	(50,995)	0	0	-50,995
Other Financing Sources	114,602	0	0	114,602
Unapplied Credits	17,195	0	0	17,195
Other Financing Uses (Vouchers Payable)	4,050	0	0	4,050
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(1,197,950)</u>	<u>79,843</u>	<u>1,253,955</u>	<u>135,847</u>
<i>Net Change in Fund Cash Balances</i>	260,645	-502,056	558,421	317,010
Fund Cash Balances, January 1	<u>7,627,108</u>	<u>1,169,122</u>	<u>1,457,492</u>	<u>10,253,723</u>
Fund Cash Balances, December 31	<u>\$7,887,753</u>	<u>\$667,067</u>	<u>\$2,015,913</u>	<u>\$10,570,733</u>

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

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, 2021

	<u>Custodial</u>
Additions	
Amounts Held for Employees	13,598,901
Other Amounts Collected for Distribution	<u>5,608</u>
<i>Total Additions</i>	<u>13,604,509</u>
Deductions	
Distributions to Other Governments	3,155
Distributions on Behalf of Employees	<u>13,453,968</u>
<i>Total Deductions</i>	<u>13,457,123</u>
<i>Net Change in Fund Cash Balances</i>	147,386
<i>Fund Cash Balances, January 1</i>	<u>756,462</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$903,848</u></u>

See accompanying notes to the basic financial statements.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2021

1. REPORTING ENTITY

Five Rivers MetroParks, Montgomery County, (MetroParks) 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 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, 2021

1. REPORTING ENTITY (Continued)

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) 660-9097.

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 6 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.

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:

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2021

2. Summary of Significant Accounting Policies continued

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.

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 (D). 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 (D) permit.

2. Summary of Significant Accounting Policies continued

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 2021 budgetary activity appears in Note 3

Deposit and Investments

MetroParks' 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 a 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.

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:

Five Rivers MetroParks
 Montgomery County
 Notes to the Financial Statements
 For the Year Ended December 31, 2021

2. Summary of Significant Accounting Policies continued

Non-spendable - MetroParks classifies assets as *non-spendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, non-spendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the District and non-spendable 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.

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

3. BUDGETARY ACTIVITY

Budgetary activity for the year ending December 31, 2021, follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$20,341,812	\$20,929,894	\$588,082
Special Revenue	6,981,397	1,466,483	(5,514,914)
Capital Projects	2,463,944	1,551,398	(912,546)
Total	<u>\$29,787,153</u>	<u>\$23,947,775</u>	<u>(\$5,839,378)</u>

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$24,660,236	\$20,690,575	\$3,969,661
Special Revenue	7,800,889	1,953,902	5,846,987
Capital Projects	3,827,640	992,977	2,834,663
Total	<u>\$36,288,765</u>	<u>\$23,637,454</u>	<u>\$12,651,311</u>

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2021

4. DEPOSITS AND INVESTMENTS

MetroParks maintains a deposit 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:

	2021
Demand deposits	\$ 249,883.35
Total deposits	249,883.35
STAR Ohio	11,224,697.49
Total investments	11,224,697.49
Total deposits and investments	\$ 11,474,580.84

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 qualified trustee and pledged to the Treasurer of the 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.

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 homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due February 14. The second half payment is due the following July 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.

6. Interfund Balances

Outstanding advances at December 31, 2021, consisted of \$50,995 advanced to Grant funds for projects.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2021

7. Risk Management

Workers' Compensation

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

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 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

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

	<u>2020</u>
Cash and Investments	\$40,318,971
Actuarial Liabilities	\$14,111,510

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 healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2021, 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 2021. 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, 2021.

Five Rivers MetroParks
Montgomery County
Notes to the Financial Statements
For the Year Ended December 31, 2021

9. Postemployment Benefits

OPERS offer 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 2021. The portion of employer contributions allocated to health care for members in the member directed plan was 4.0 percent during the calendar year 2021.

10. Debt

Leases

MetroParks leases buildings and equipment under noncancelable leases. MetroParks disbursed \$386,284 to pay lease costs for the year ended December 31, 2021.

Amortization

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

Year Ending December 31:	Building Leases	Equipment Leases
2022	\$318,607	\$65,370
2023	323,021	65,370
2024	327,523	65,370
2025	332,116	65,370
2026	336,800	40,745
2027-2032	413,482	53,965
Total	<u>\$2,051,549</u>	<u>\$356,190</u>

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.

12. Fund Balance

Included in the 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 any outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned. As of December 31, 2021, MetroParks did not have non-spendable balances or outstanding encumbrances in any governmental fund.

13. COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended June 2021 while the national state of emergency continues. During 2021, MetroParks received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of MetroParks. MetroParks' investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on MetroParks' future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.