



**Auditor of State
Betty Montgomery**

LAKE METROPARKS
LAKE COUNTY

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**Auditor of State
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

Lake Metroparks
Lake County
11211 Spear Road
Concord, Ohio 44077

To the Board of Park Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lake Metroparks, Lake County, Ohio, (the Park District) as of and for the year ended December 31, 2005, which collectively comprise the Park District's basic financial statements and have issued our report thereon dated June 2, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Park District's internal control over financial reporting to determine our auditing procedures in order to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses.

Compliance and Other Matters

As part of reasonably assuring whether the Park District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Lake Metroparks
Lake County
Independent Accountants' Report on Internal Control
Over Financial Reporting and on Compliance and Other
Matters Required by *Government Auditing Standards*
Page 2

We intend this report solely for the information and use of the audit committee, management and the Board of Park Commissioners. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

June 2, 2006



Lake Metroparks, Ohio

*Comprehensive Annual Financial Report
For The Year Ended
December 31, 2005*

LAKE METROPARKS, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2005

prepared by the Finance Division



PARK OFFICIALS AS OF DECEMBER 31, 2005

Judge Ted Klammer
Lake County Probate Judge
Term Expires 2-09-09

Board of Park Commissioners

Frank J. Polivka
Term Expires 12-31-06

Ellen Foley Kessler
Term Expires 12-31-07

Richard D. DiCicco
Term Expires 12-31-08

Executive Director

David A. Noble

Legal Counsel

Joseph Gibson
Russell J. Meraglio, Jr.

Director of Finance and Administration

Kenneth E. Kleppel, CPA

**LAKE METROPARKS, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2005**

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The background of the page is a classic marbled paper pattern, featuring a complex, organic design of swirling, interlocking shapes in various shades of gray, white, and light brown. This pattern is contained within a double-line black border that frames the entire page.

Introductory Section



June 2, 2006

To the Citizens of Lake County
To the Honorable Judge Ted Klammer
To the Board of Park Commissioners:

Frank J. Polivka
Ellen Foley Kessler
Richard D. DiCicco

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OFFICES**
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Lake County Probate Judge
Ted Klammer

**Board of Park
Commissioners**
Richard D. DiCicco
Ellen Foley Kessler
Frank J. Polivka

Executive Director
David A. Noble

Deputy Director
Stephen W. Madewell

FORMAL LETTER OF TRANSMITTAL

We are pleased to submit the 16th Comprehensive Annual Financial Report (CAFR) for Lake Metroparks (hereafter, also referred to as the "Park District"). This report conforms to Generally Accepted Accounting Principles (GAAP) in accordance with implementation of the Governmental Accounting Standards Board (GASB) Statement No. 34 and provides full and complete disclosure of the financial position and operations of the Park District for the year ended December 31, 2005. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Park District's management. To the best of our knowledge and beliefs, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position of the entity as a whole and results of operations of the various funds of the Park District. All disclosures necessary to enable the reader to gain an understanding of the Park District's financial activities have been included.

Report Presentation

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

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

The CAFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the Government Finance Officers Association (GFOA) Certificate of Achievement, our organizational chart, and a list of principal officials. The financial section includes, under the Governmental Accounting Standards Board Statement No. 34, the Independent Accountants' Report, Management's Discussion and Analysis, the basic financial statements, notes, the required supplementary information, and the individual fund budget-to-actual schedules. This letter of transmittal is designed to complement the Management's Discussion and Analysis letter and should be read in conjunction with it. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

PARK DISTRICT PROFILE

The Park District was created in 1958 under the authority of Chapter 1545 of the Ohio Revised Code. The Park District consists of 29 parks and facilities with a total of 5,859 owned acres of land, 669 leased acres of land and holds 600 acres of conservation easements. Its boundaries are coterminous with the boundaries of Lake County, Ohio, located immediately east of Cuyahoga County. The southern shoreline of Lake Erie forms the northern boundary of the Park District. (Refer to the back of the statistical section pages 110 and 111 for a table, and 112 for a map showing the boundaries of the Park District and the locations of the parks and facilities within the Park District.) The Park District is operated by a three-member board appointed by the Judge of the Lake County Probate Court for three-year alternating terms. In March of each year, the Board of Park Commissioners appoints an Executive Director who serves as the chief executive officer for the Park District. The Board of Park Commissioners also retains a Legal Counsel and Prosecutor.

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

ECONOMIC CONDITION AND OUTLOOK

Lake County, geographically the smallest county in the State of Ohio, is considered part of the Greater Cleveland metropolitan area. The industrial base of the county consists of chemical manufacturing and research, textile products, wire and wire mesh products, rock salt mining, plastic and plastic products, metal stamping, tooling, and custom machinery. The western half of the county is highly developed with industrial and commercial corporations and residential properties. In the eastern half of the county, nursery businesses provide significant economic contributions. The eastern and southeastern portions of the county are experiencing increased residential development. This trend is expected to continue. As of December 31, 2005, Lake County's unemployment rate was 5.2%, the national rate was 4.9%, and the state rate was 5.9%. (For further information regarding Lake County's unemployment rate see page 98 of the statistical section.)

Major Initiatives 2005

Over 2.7 million people visited Lake Metroparks facilities in 2005. The Park District continues to provide quality leisure opportunities to the public while maintaining our commitment to the natural resource communities of our county and northeast Ohio. We placed a 1.9 mil operating and capital improvements levy on the November ballot for replacement. We had not asked for an increase in our operating levies in twenty years other than the replacement of our .3 mil operating levy in 1994. Since Lake County residents approved the 1.9 mil levy in 1986, we have lived on a fixed income. Approval of this levy would allow our property tax collection to be equal to the current fair market value of properties in Lake County and would provide us with the revenue necessary to maintain the quality of our park system--both in properties managed as well as in program services provided. The people of Lake County approved this levy with a 56% favorable vote. Beginning in 2006, property tax collections will be enhanced by nearly five million dollars per year. This revenue is necessary to maintain and improve infrastructure and our capital fleet. We will continue to provide the levels of programs and services currently enjoyed by Lake County residents.

With state and federal grants, we were able to complete a new park at the Grand River Landing, a facility dedicated to improving non-powered boating access to the Grand River. The Park District also acquired property along the Kellogg Creek corridor connecting the Greenway to Helen Hazen Wyman Park.

Outlook for 2006

Efforts will be made to maintain and control operating costs. We plan on directing necessary funds towards capital equipment replacement and for infrastructure repair, such as roadways, roofs and restrooms. A ten year financial management plan will be completed to dedicate dollars for these needs as well as to continue our

objective of connecting parks and creating pedestrian corridors. We will recommend an operating policy of zero net growth in full-time positions, filling only those positions that are determined to be absolutely critical.

We have been selected to receive over 2.5 million dollars in federal money for the purpose of preserving green space along federal and state highway corridors and to create trails. We will match these federal funds with one million dollars of local money for the same purpose.

The Park District will be positioned to take a leadership role on countywide issues such as creating a regionally connected system of pedestrian corridors, storm water management, open space preservation, historical preservation, and recycling.

Service Efforts and Accomplishments

In April of 2004, a customer opinion and attitude survey was conducted of voters in Lake County. The Park District was rated on the following:

-Providing an attractive park environment86% favorable
-Providing parks that are safe to use86% favorable
-Preserving parkland for wildlife, scenic views and open space83% favorable
-Serving all of the people in Lake County79% favorable
-Offering a wide variety of recreational opportunities79% favorable
-Keeping the public well informed73% favorable
-Making good use of the tax money they receive58% favorable

The results of the survey showed that 86% of those questioned have either a very favorable or favorable overall opinion of the Park District.

Financial Information

The Park District's day-to-day accounting and budgetary records are maintained on a basis other than GAAP (budgetary). For financial reporting purposes the accounting records are converted to a modified accrual basis for all governmental funds and the accrual basis for the proprietary funds and entity-wide reporting. A further discussion of the basis of accounting can be found in Note 1 (page 39) to the financial statements along with a reconciliation of budgetary to GAAP.

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

The Park District maintains budgetary control within the organizational unit and fund by not permitting expenditures and encumbrances to exceed appropriations. Administrative control is maintained through the establishment of object line item budgets. Various departments are subject to performance budget reviews. Funds appropriated may not be expended for purposes other than those designated in the appropriation resolution. Purchase requisitions are used for all purchases of materials, services and supplies that exceed \$50. Purchase requisitions that exceed \$500 must be signed by the Executive Director. All purchases over \$5,000 must be approved by the Board of Park Commissioners. The Park Board President reviews all contracts. Expenditures are approved by the Board of Park Commissioners at bi-monthly meetings. Monthly cash reports are sent to the Executive Director, Deputy Director, division heads, and the Board of Park Commissioners.

Internal Controls

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

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

The concept of reasonable assurance recognizes that:

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

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

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

General Fund

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

Special Revenue Fund

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

Capital Funds

The Park District has two capital funds. One is the Improvement Fund, funded by grants and a \$420,000 transfer in 2005 from the General Fund. This fund supports land purchases and permanent improvements to the parks. The Park District also has a Capital Improvement Fund, which was funded by a \$300,000 general obligation bond issued in June 1999 for various park improvements, a \$1,900,000 general obligation term bond issued in June 2000, and a \$2,000,000 revenue bond issued in June 2002. Both funds receive interest earnings as well as contributions. Total Improvement and Capital Improvement Fund level expenditures in 2005 were \$1,126,504, all of which were for capital expenditures.

Enterprise Fund

On January 1, 1993, the Park District began to account for golf operations as an Enterprise Fund. Prior to 1993, golf operations were accounted for as a Special Revenue Fund. The Park District operates two golf courses: Erie Shores Golf Course in Madison (eastern Lake County) and Pine Ridge Country Club, acquired in May 1993, located in Wickliffe (western Lake County). Erie Shores is an 18-hole course with a pro shop, driving range and snack bar. Pine Ridge Country Club is a full-service country-club style 18-hole course with

amenities including catering, dining, pro shop and snack bar. Since 1998, the catering and dining functions were leased to an outside caterer for operations.

Internal Service Fund

In March 1990, the Park District began a self-insured hospitalization program. During 2005, billings for services to other funds and COBRA charges to participants represented 100% of the fund operating revenue or \$941,456. During 2005, claims expenses were \$509,792 or 73.24% of expenses. Premiums for administration expense and stop-loss insurance, both in the aggregate and in the individual, were \$186,126 or 26.74% of expenses. Bank fees were \$158 or .02%. The fund generated \$5,902 in non-operating interest. The individual stop-loss limit was \$70,000.

Debt Administration

In June 2002, the Park District issued a \$2,000,000 ten-year serial revenue bond with equal principal payments of \$200,000 per year. The above debt was a private placement. Debt service in 2005 was \$271,100.

Cash Management

The Treasurer utilizes cash management and forecasting techniques and procedures to provide for efficient and optimal use of the Park District's cash resources as permitted by applicable State of Ohio law. Among the Park District's investments, the Park District participates in the State Treasurer's Investment Pool of Ohio (STAROhio). The statewide investment pool was established in January 1986 for governmental entities in Ohio and is administered by the Treasurer of the State of Ohio. In addition to STAROhio, the Park District's Treasurer invests in short-term certificates of deposit and Federal Agency Securities. All of the Park District's investments are in compliance with the Park District's investment policy as passed by the Board of Park Commissioners.

Cash resources of a majority of individual funds are combined to form a pool of cash and investments to maximize possible returns. Certain monies of the Agency Fund and Internal Service Fund are deposited and maintained in segregated bank accounts with interest allocated to those funds. Investment income is allocated to the General Fund, the Special Revenue Fund, the Enterprise Fund, and the Capital Funds as prescribed by Ohio law and Board policy. Investment income for all Park District funds during 2005 was \$86,233 compared to \$43,406 in 2004, or an increase of 198.67%. This was due to the increase in interest rates.

Risk Management

The Park District provides safety training and safety equipment to its employees in order to control risks of injury. The Park District also maintains comprehensive coverage from private carriers for property, appointed officials, ranger liability and general liability insurance. Insurance premiums paid to private carriers during 2005 amounted to \$173,360. This compared to premiums for 2004 of \$218,644, a decrease of 20.7% because of a softening in the market and Lake Metroparks continuing emphasis on safety programs. During 2005, one of the major goals of the Finance Division was to prevent and reduce the severity and frequency of both on-the-job and visitor accidents and incidents. Efforts were concentrated on reducing exposure by continuous inspection and maintenance of all facilities and equipment and active participation and training of employees and volunteers. Personal protective equipment is standard for all employees. Training and inoculations for bloodborne pathogens continue for all at-risk employees. Five employees are instructors and have conducted training for 138 employees on Cardiopulmonary Resuscitation (CPR) and Automated External Defibrillators (AED) and 89 employees on First Aid.

The Safety Leadership Committee consists of 14 employees that represent Lake Metroparks at every level and division in safety, health, and security matters. The Hearing Conservation Program has continued with over 60 employees receiving audiograms.

Drivers' licenses were checked for all new hires and for any volunteers who drive Lake Metroparks vehicles. Over 150 employees and volunteers with "unsupervised access to children" have been fingerprinted.

The Park District continued working with a certified electrician, Kirtland Fire Department and Park District employees involved in electrical inspections for special events. Lake Metroparks received a 2% discount on Workers' Compensation premium for participation in the safety program with Lake County Safety Council. Lake Metroparks employee injury claims were reduced by almost 19% over the past year. Six training sessions were held at various locations where nearly 300 employees attended the "live" training.

Independent Audit

Included in this report is an unqualified audit opinion rendered on the Park District's financial operations as well as its assets and liabilities at year-end 2005 by our independent auditors, the Auditor of the State of Ohio, Betty Montgomery. The Park District's management intends to continue to subject the financial statements to an annual independent audit as part of the preparation of this CAFR. An annual audit serves to maintain and strengthen the Park District's accounting and budgetary controls.

PARK DISTRICT AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Park District for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2004. This was the fifteenth year the Park District received this prestigious award, the first/only park district to receive this award fifteen consecutive years. In order to be awarded a Certificate of Achievement, the Park District published an easy-to-read, efficiently organized Comprehensive Annual Financial Report. This report satisfies both Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. It is believed the current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program requirements. It is being submitted to the GFOA to determine its eligibility for another certificate.

The Auditor of the State of Ohio, Betty Montgomery, presented the Park District with "The Auditor's Award" for its outstanding commitment to the highest standards of financial reporting.

Additionally, the Park District received the following awards:

- CompManagement Health Systems, Inc.- Workers' Compensation Certificate of Excellence: Return-to-Work Management
- Ohio Department of Natural Resources Division of Watercraft – 2005 Outstanding Education Program Award: Lake Metroparks Boating and Safety Education Program
- North American Safe Boating Councils Northern Region Boating Education: Advancement Award
- Lake County Apex Awards – The News Herald Public Information Award: First place "Lake Metroparks, A Report to the Community"
- Gold Medal Finalist 2005
- The Annual Bridges Award: Helping People Help Themselves
- Partners in Science Excellence: Friends of Science Award for Lake County

The Park District submitted nominations for the Ohio Parks and Recreation Association annual programming awards. The results of the District's submissions were:

- Superior Award: Le Tour de Parks in the Adult Programs and Events category
- Superior Award: Renewable energy program at Farmpark in the Management/Innovation/Special Projects category
- Superior Award: Locations, maps and amenities publications in the Marketing/Print Publication or Materials category
- Superior Award: "A Report to the Community" in the Marketing-Public Relations/Information Campaign category
- Outstanding Award: Park law enforcement efforts in the Park Law Enforcement category
- Meritorious Award: Special Alternative Recreation program in the Special Population category
- Honorable Mention: Grand River Landing small and paddle sports boat launch in Fairport Harbor in the Park Area Development (up to \$50,000 cost) category

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

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

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



David A. Noble
Executive Director



Kenneth E. Kleppel, CPA
Director of Finance and Administration

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lake Metroparks,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Carla E. Perry

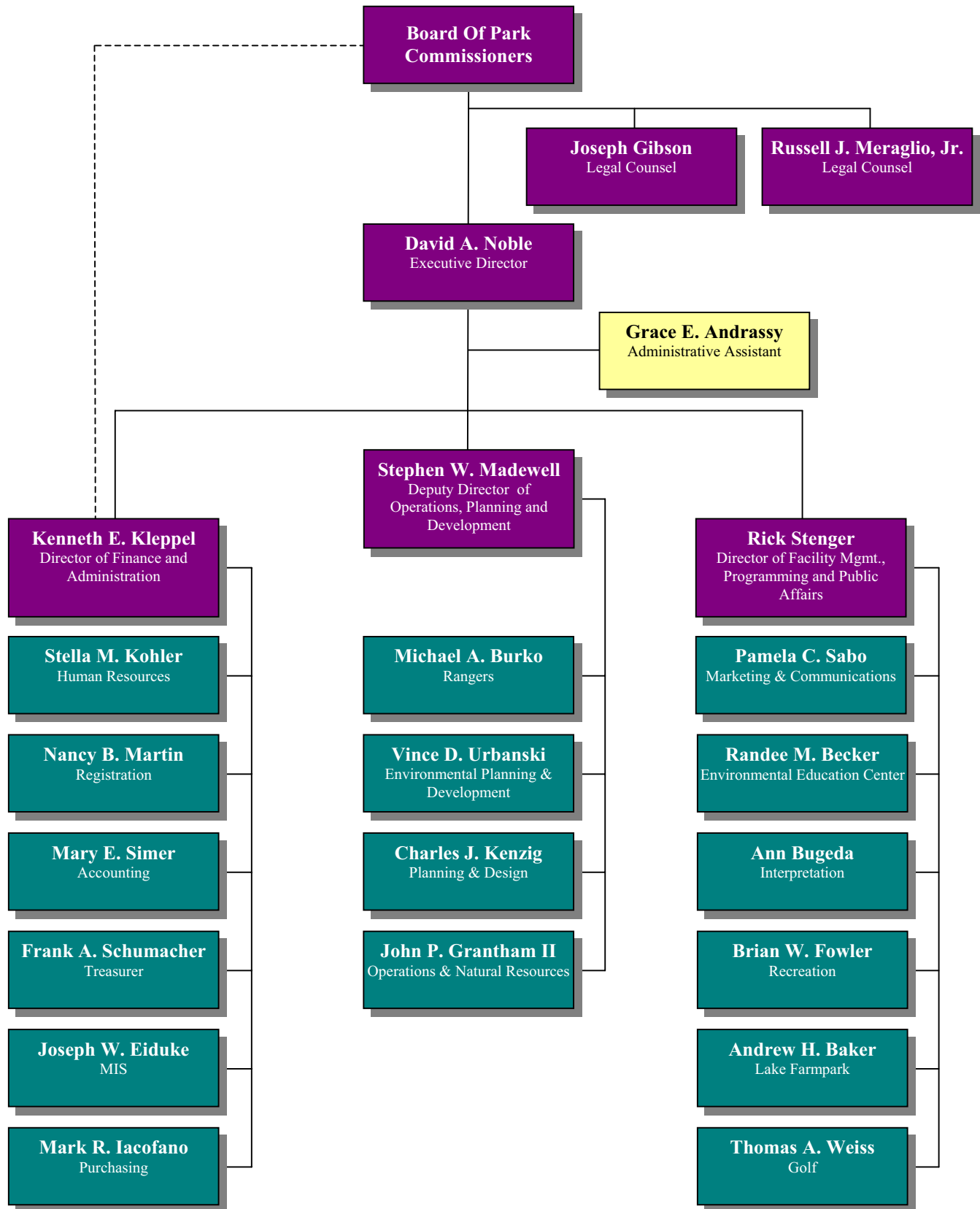
President

Jeffrey R. Emer

Executive Director

Lake Metroparks Organizational Chart

April 2006



Lake Metroparks
List of Principal Officials
December 31, 2005

Elected Official
Lake County Probate Judge

Honorable Judge Ted Klammer

Board of Park Commissioners

Richard D. DiCicco, President
Ellen Foley Kessler, Vice President
Frank J. Polivka, Vice President

Executive Director

David A. Noble

**Deputy Director of Operations,
Planning and Development**

Stephen W. Madewell

Legal Counsel

Joseph Gibson
Russell J. Meraglio, Jr.

Director of Finance and Administration

Kenneth E. Kleppel, CPA

**Director of Facility Management,
Programming and Public Affairs**

Rick Stenger



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Lake Metroparks
Lake County
11211 Spear Road
Concord, Ohio 44077

To the Board of Park Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lake Metroparks, Lake County, Ohio, (the Park District) as of and for the year ended December 31, 2005, which collectively comprise the Park District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Park District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lake Metroparks, Lake County, Ohio, as of December 31, 2005, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 2006, on our consideration of the Park District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis and the respective budgetary comparison for the General Fund are not a required part of the basic financial statements but are supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

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We conducted our audit to opine on the financial statements that collectively comprise the Park District's basic financial statements. The introductory section, individual fund schedules, and statistical section provides additional information and are not a required part of the basic financial statements. We subjected the individual fund schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical section to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

June 2, 2006

Management's discussion and analysis of Lake Metroparks' financial performance provides an overview of the Park District's financial activities for the fiscal year ended December 31, 2005. Please read it in conjunction with the Park District's basic financial statements which begin on page 27.

FINANCIAL HIGHLIGHTS

- The results of the Park District's net assets were a decrease in net assets in business-type and an increase in governmental activities. Net assets of our business-type activities decreased by \$254,775 or 3.8%. Net assets of our governmental activities increased by \$1,803,942 or 7.5%.
- Total cost of all of the Park District's programs was \$14,292,404 in 2004 compared to \$14,016,536 in 2005, a decrease of 1.9%.
- During the year net capital assets decreased in governmental activities by \$50,303 and in business-type activities were reduced by \$254,065.

USING THIS ANNUAL REPORT

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

REPORTING THE PARK DISTRICT AS A WHOLE

The Statement of Net Assets and the Statement of Activities

Our analysis of the Park District as a whole begins on page 14. One of the most important questions asked about the Park District's finances is, "Is the Park District as a whole better off or worse off as a result of the year's activities?" The *Statement of Net Assets* and the *Statement of Activities* report information about the Park District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

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

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

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

REPORTING THE PARK DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Our analysis of the Park District's major funds begins on page 17. The fund financial statements begin on page 30 and provide detailed information about the most significant funds—not the Park District as a whole. Some funds are required to be established by state law. However, the Park Board establishes other funds to help it control and manage money for particular purposes (example: Capital Improvement Fund). The Park District's three kinds of funds, governmental, proprietary and fiduciary, use different accounting approaches.

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

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

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

THE PARK DISTRICT AS A WHOLE

The Park District's total governmental assets changed from a year ago, increasing from \$37,827,462 to \$43,603,584. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the Park District's governmental and business-type activities.

	Table 1					
	Net Assets					
	Governmental		Business-type		Total	
	2005	2004	2005	2004	2005	2004
Other Assets	\$18,081,628	\$12,255,203	\$383,959	\$360,953	\$18,465,587	\$12,616,156
Capital Assets and Goodwill	25,521,956	25,572,259	6,138,413	6,399,486	31,660,369	31,971,745
Total Assets	43,603,584	37,827,462	6,522,372	6,760,439	50,125,956	44,587,901
Long-term Liabilities						
Outstanding	2,534,242	2,688,156	--	--	2,534,242	2,688,156
Other Liabilities	15,345,967	11,219,873	138,404	121,696	15,484,371	11,341,569
Total Liabilities	17,880,209	13,908,029	138,404	121,696	18,018,613	14,029,725
Net Assets						
Invested in Capital Assets						
Net of Debt	24,121,956	23,972,259	6,138,413	6,399,486	30,260,369	30,371,745
Restricted	628,599	712,523	--	--	628,599	712,523
Unrestricted	972,820	(765,349)	245,555	239,257	1,218,375	(526,092)
Total Net Assets	\$25,723,375	\$23,919,433	\$6,383,968	\$6,638,743	\$32,107,343	\$30,558,176

Net assets of the Park District's governmental activities increased by \$1,803,942, (\$25,723,375 at December 31, 2005 compared to \$23,919,433 at December 31, 2004). Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, increased by \$1,738,169, (at December 31, 2005 \$972,820 compared to (\$765,349) at December 31, 2004). Restricted net assets, those restricted mainly for capital projects, decreased by \$83,924, (\$628,599 at December 31, 2005 compared to \$712,523 at December 31, 2004). The investment in capital assets, net of debt category, increased by \$149,697, (\$24,121,956 at December 31, 2005 compared to \$23,972,259 at December 31, 2004).

The net assets of our business-type activities decreased by \$254,775, (\$6,383,968 at December 31, 2005 compared to \$6,638,743 at December 31, 2004). The Park District generally commits these net assets to finance the continuing operations of the Golf Fund.

FINANCIAL RATIOS

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

The *Ratios of Working Capital* and *Days Cash and Investment in Reserve* demonstrate the ability to finance operations with cash. The stability of the *Current Ratio* and the *Liabilities to Net Asset* demonstrate the fact that the Park District's retirement of long-term debt exceeded its issuance of long-term debt in the year 2005.

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

Working Capital	1999	2000	2001	2002	2003	2004	2005
Entity Wide Summary	\$1,485,688	\$2,600,689	\$1,044,000	\$916,551	\$1,732,608	\$1,025,380	\$2,494,445
Governmental	1,255,828	2,356,815	705,849	617,534	1,337,316	786,123	2,248,890
Business-type	229,860	243,874	338,151	299,017	395,292	239,257	245,555

Current Ratio	1999	2000	2001	2002	2003	2004	2005
Entity Wide Summary	1.19	1.21	1.08	1.07	1.14	1.09	1.16
Governmental	1.10	1.19	1.06	1.05	1.10	1.07	1.15
Business-type	3.12	2.72	3.86	3.11	4.04	2.97	2.77

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

Days Cash and Investment	1999	2000	2001	2002	2003	2004	2005
Entity Wide Summary	N/A	86	47	33	56	29	45
Governmental	N/A	87	40	26	48	24	41
Business-type	N/A	82	101	89	121	75	73

Liabilities to Net Assets indicates the extent of borrowing.

Liabilities to Net Assets	1999	2000	2001	2002	2003	2004	2005
Entity Wide Summary	59%	60%	54%	57%	55%	46%	56%
Governmental	75%	79%	70%	73%	70%	58%	70%
Business-type	2%	2%	2%	2%	2%	2%	2%

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

Return on Assets	1999	2000	2001	2002	2003	2004	2005
Entity Wide Summary	N/A	1%	4%	1%	--%	(1%)	3%
Governmental	N/A	1%	5%	2%	1%	(1%)	4%
Business-type	N/A	(1%)	1%	(2%)	(3%)	(3%)	(4%)

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	Table 2					
	Governmental		Change in Net Assets Business-type		Total	
	2005	2004	2005	2004	2005	2004
Revenues:						
Program Revenues:						
Charges for Services	\$1,503,645	\$1,543,878	\$1,468,153	\$1,439,916	\$2,971,798	\$2,983,794
Operating Grants and Contributions	141,844	111,674	3,100	1,600	144,944	113,274
Capital Grants and Contributions	651,676	355,099	--	--	651,676	355,099
General Revenues:						
Property Tax	9,616,123	8,280,418	--	--	9,616,123	8,280,418
Local Government	2,058,117	2,040,021	--	--	2,058,117	2,040,021
Interest	75,299	36,610	2,908	6,796	78,207	43,406
Miscellaneous	33,904	59,841	10,934	7,942	44,838	67,783
Total Revenues	14,080,608	12,427,541	1,485,095	1,456,254	15,565,703	13,883,795
Program Expenses:						
Parks and Recreation	12,205,566	12,509,141	--	--	12,205,566	12,509,141
Interest on Long-term Debt	71,100	128,667	--	--	71,100	128,667
Golf	--	--	1,739,870	1,654,596	1,739,870	1,654,596
Total Expenses	12,276,666	12,637,808	1,739,870	1,654,596	14,016,536	14,292,404
Increase (Decrease) in Net Assets	\$1,803,942	(\$210,267)	(\$254,775)	(\$198,342)	\$1,549,167	(\$408,609)

The increase in net assets Governmental Activities was due to an increase in property tax and a reduction in expenses. The decrease in net assets Business-type Activities was attributed to the continued flat golf play and increase in expenses.

GENERAL GOVERNMENTAL FUNCTIONS BY INDIVIDUAL FUND

The following schedules present individual governmental funds revenues and the percentage of total for the year ended December 31, 2005 as well as the expenditures and the percentage of total for the year ended December 31, 2005.

General Fund

Revenue Source	2005 Amount	Percent of Total	2004 Amount	Increase (Decrease) From 2004	Percent Increase (Decrease)
Property Taxes	\$8,321,742	68.8%	\$7,088,618	\$1,233,124	17.4%
Intergovernmental	2,080,112	17.2%	2,049,430	30,682	1.5%
Fees and Admissions	1,094,668	9.0%	1,122,615	(27,947)	(2.5%)
Merchandise Sales	401,545	3.3%	410,947	(9,402)	(2.3%)
Interest	65,414	.5%	31,133	34,281	110.1%
Fines and Forfeits	2,230	--%	4,190	(1,960)	(46.8%)
Contributions	105,439	.9%	92,424	13,015	14.1%
Miscellaneous	32,404	.3%	44,340	(11,936)	(26.9%)
Total Revenue	\$12,103,554	100.0%	\$10,843,697	\$1,259,857	11.6%

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General Fund (continued)

Expenditures	2005 Amount	Percent of Total	2004 Amount	Increase (Decrease) From 2004	Percent Increase (Decrease)
Parks and Recreation	\$11,139,888	95.7%	\$11,093,070	\$46,818	.4%
Capital Outlay	84,398	.7%	131,703	(47,305)	(35.9%)
Transfer Out	420,000	3.6%	147,000	273,000	185.7%
Total Expenditures and Transfer Out	\$11,644,286	100.0%	\$11,371,773	\$272,513	2.4%

The change in fund balance increased by \$459,268 due to an increase in property taxes.

Drug Enforcement

Revenue Source	2005 Amount	Percent of Total	2004 Amount	Increase (Decrease) From 2004	Percent Increase (Decrease)
Interest	\$159	15.0%	\$88	\$71	80.7%
Fines and Forfeits	900	85.0%	1,620	(720)	(44.4%)
Total Revenue	\$1,059	100.0%	\$1,708	(\$649)	(38.0%)

Expenditures	2005 Amount	Percent of Total	2004 Amount	Increase (Decrease) From 2004	Percent Increase (Decrease)
Capital Outlay	\$3,850	100.0%	\$200	\$3,650	1825.0%
Total Expenditures	\$3,850	100.0%	\$200	\$3,650	1825.0%

The fund balance decreased by \$2,791 due to an increase in expenditures in 2005.

Capital Improvement

Revenue Source	2005 Amount	Percent of Total	2004 Amount	Increase (Decrease) From 2004	Percent Increase (Decrease)
Intergovernmental	\$--	--%	\$30,000	(\$30,000)	--%
Interest	1,705	100.0%	3,971	(2,266)	(57.1%)
Total Revenue	\$1,705	100.0%	\$33,971	(\$32,266)	(95.0%)

Expenditures	2005 Amount	Percent of Total	2004 Amount	Increase (Decrease) From 2004	Percent Increase (Decrease)
Capital Outlay	\$43,883	100.0%	\$391,874	(\$347,991)	(88.8%)
Total Expenditures and Transfer Out	\$43,883	100.0%	\$391,874	(\$347,991)	(88.8%)

The fund balance decreased by \$42,178 due to capital purchases.

Improvement Fund

Revenue Source	2005 Amount	Percent of Total	2004 Amount	Increase (Decrease) From 2004	Percent Increase (Decrease)
Intergovernmental	\$651,676	59.6%	\$315,690	\$335,986	106.4%
Fees and Admissions	4,302	.4%	4,506	(204)	(4.5%)
Interest	2,119	.2%	549	1,570	286.0%
Contributions	14,410	1.3%	19,250	(4,840)	(25.1%)
Miscellaneous	1,500	.1%	15,501	(14,001)	(90.3%)
Transfer in	420,000	38.4%	147,000	273,000	185.7%
Total Revenue and Transfer In	\$1,094,007	100.0%	\$502,496	\$591,511	117.7%

Expenditures	2005 Amount	Percent of Total	2004 Amount	Increase (Decrease) From 2004	Percent Increase (Decrease)
Capital Outlay	\$1,082,621	100.0%	\$500,734	\$581,887	116.2%
Total Expenditures	\$1,082,621	100.0%	\$500,734	\$581,887	116.2%

The fund balance was increased by \$11,386 due to a transfer from the General Fund.

Debt Service

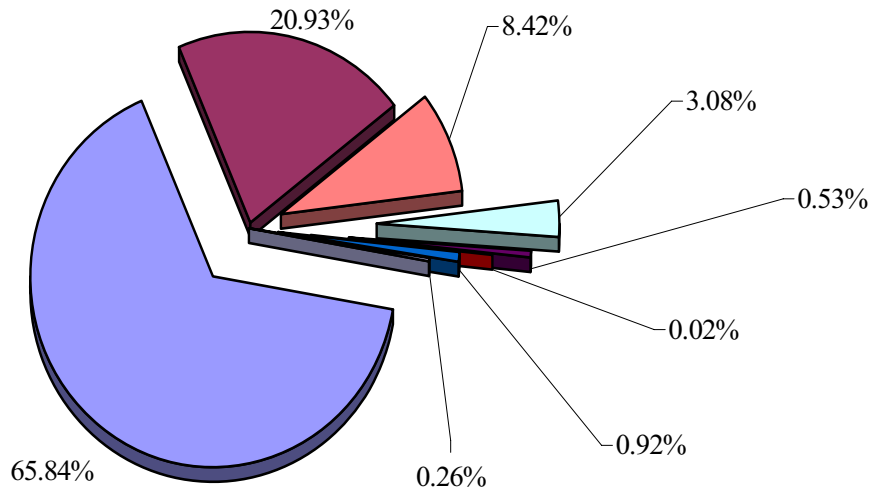
Revenue Source	2005 Amount	Percent of Total	2004 Amount	Increase (Decrease) From 2004	Percent Increase (Decrease)
Property Taxes	\$271,000	100.0%	\$1,191,800	(\$920,800)	(77.3%)
Total Revenue	\$271,000	100.0%	\$1,191,800	(\$920,800)	(77.3%)

Expenditures	2005 Amount	Percent of Total	2004 Amount	Increase (Decrease) From 2004	Percent Increase (Decrease)
Principal Retirement	\$200,000	73.8%	\$2,160,000	(\$1,960,000)	(90.7%)
Interest and Fiscal Charges	71,100	26.2%	134,516	(63,416)	(47.1%)
Total Expenditures	\$271,100	100.0%	\$2,294,516	(\$2,023,416)	(88.2%)

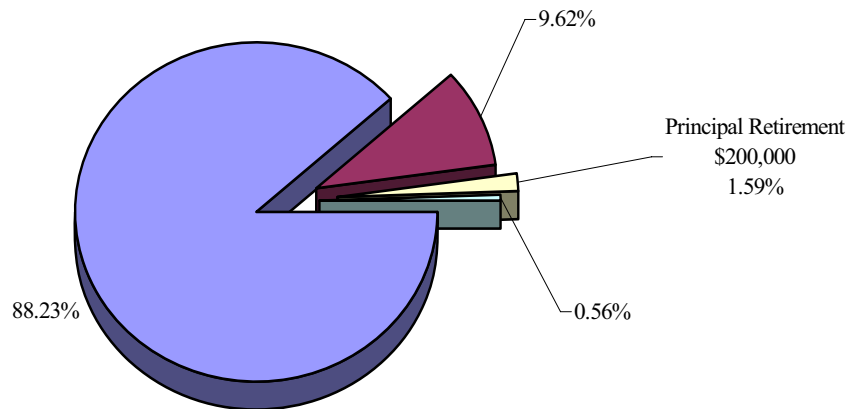
The fund balance decreased by \$100 due to the retirement in 2005 of \$200,000 in principal.

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2005 Governmental Activities Revenue



2005 Governmental Activities Expenditures



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Proprietary Funds

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

Golf fees and charges are reviewed on a yearly basis and changes are recommended to the Board of Park Commissioners for passage. During 2005, there was no increase to greens fees. Hospitalization fees were adjusted via the budget and increased by approximately 8.0% during 2005. Total golf charges for services increased by 2% due to a slight increase in rounds. The hospitalization net assets increased by \$251,282 in the year 2005 due to decreased claims. The Park District purchased stop-loss insurance in the amount of \$70,000 individual and aggregate of approximately \$1,200,000.

	Golf	Hospitalization
Total Assets	\$6,522,372	\$389,691
Net Assets	6,383,968	312,591
Change in Net Assets	(254,775)	251,282
Return on Ending Total Assets	(3.9%)	64.5%
Return on Ending Net Assets	(4.0%)	80.4%

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2005, the Park District had \$31,538,889 invested in a broad range of capital assets net of accumulated depreciation including land, buildings, vehicles, equipment, livestock, trails, bridges and parking lots. (See table below.) This amount represents a net decrease (including additions and deductions) of \$304,368 or 1% from last year.

	Capital Assets at Year-end (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
Land	\$13,515,880	\$12,839,960	\$2,707,181	\$2,707,181	\$16,223,061	\$15,547,141
Buildings	8,626,147	8,831,289	2,678,525	2,530,475	11,304,672	11,361,764
Furniture/Fixtures	713,624	693,259	172,566	172,461	886,190	865,720
Land Improvements	--	--	1,947,043	1,947,043	1,947,043	1,947,043
Machinery/Equipment	2,723,637	2,684,156	886,992	879,127	3,610,629	3,563,283
Livestock	26,574	35,574	--	--	26,574	35,574
Vehicles	2,383,827	2,390,759	202,936	203,336	2,586,763	2,594,095
Construction in Progress	186,074	166,154	--	141,000	186,074	307,154
Leasehold Improvement	1,212,318	1,212,318	--	--	1,212,318	1,212,318
Infrastructure	5,652,044	5,374,236	--	--	5,652,044	5,374,236
Accumulated Depreciation	(9,518,169)	(8,655,446)	(2,578,310)	(2,309,625)	(12,096,479)	(10,965,071)
Total	\$25,521,956	\$25,572,259	\$6,016,933	\$6,270,998	\$31,538,889	\$31,843,257

This year's major additions include the following governmental improvements: purchased land and improvements to existing parks. Business-type improvements include improvements to existing structures

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and the purchase of mowers. In 2006, the Park District will replace vehicles, purchase land, and upgrade infrastructure and various golf improvements. More detailed information about the Park District's capital assets is presented in Note 5 to Basic Financial Statements.

Debt

At year-end the Park District had \$1,400,000 in bonds outstanding versus \$1,600,000 last year, a decrease of 12.5%. All bonds are general obligations of the Park District and are shown as governmental activities. More detailed information about the Park District's long-term debt obligations is presented in Note 6 to Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Lake Metroparks is a park district (special purpose government) operating under the authority of Chapter 1545 of the Ohio Revised Code encompassing and providing park and recreation opportunities to the citizens of Lake County. The County is sharing in the slow economic recovery in Ohio as evidenced by its unemployment rate of 5.2% compared to the state of 5.9% and national average of 4.9%. Because the Park District derives 65.84% of its governmental activities revenue from property taxes, below is a listing of the ten largest property taxpayers for the last six years in Lake County by type of property tax.

Name of Taxpayer	Nature of Business	2000	2001	2002	2003	2004	2005
Real, Excluding Public Utility							
Simon Property Group LP	Developer of Great Lakes Mall	--	--	0.38%	0.41%	0.41%	0.41%
First Interstate	Developer of Willoughby Commons, Creekside Commons Shopping Centers	--	0.13%	0.17%	0.13%	0.13%	0.22%
Avery Dennison Corporation	Pressure-sensitive adhesive, papers, foils and films	0.16%	0.16%	0.21%	0.20%	0.21%	0.21%
Inland Southeast	Retail developer	--	--	--	--	0.14%	0.20%
Lubrizol Corporation	Chemical additives for fuels, lubricants	0.20%	0.19%	0.20%	0.19%	0.20%	0.19%
Steris Corporation	Provider of infection, contamination prevention systems and products	0.14%	0.13%	0.14%	0.14%	0.15%	0.14%
Points East Enterprises	Developer of Points East Shopping Center	0.10%	0.11%	0.11%	0.11%	0.11%	0.11%
Osborne, Jerome T.	Contractor and developer	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Wal Mart Real Estate	Retail developer	--	--	--	--	0.09%	0.09%
Millstein, Norman Trustee	Developer, apartment complexes	0.09%	0.09%	0.09%	--	0.09%	0.08%
Willoughby Hills Shopping	Retail Developer	--	--	--	0.13%	--	--
Cleveland Clinic	Provider of medical services	--	--	--	0.12%	--	--
Ratner, Albert B.	Developer, Shoregate Shopping Center and Madison Mall	0.11%	0.11%	0.11%	0.11%	--	--
Edens and Avant Holdings	Holding company for Tops Friendly Supermarkets	0.09%	0.09%	0.09%	--	--	--

Name of Taxpayer	Nature of Business	2000	2001	2002	2003	2004	2005
Tangible Personal, Excluding Public Utility							
Avery Dennison Corporation	Pressure-sensitive adhesives, papers, foils, and films	0.45%	0.49%	0.44%	0.45%	0.40%	0.60%
Lubrizol Corporation	Chemical additives for fuels and lubricants	0.58%	0.51%	0.53%	0.57%	0.51%	0.47%
GE Quartz PCC Airfoils	Manufacturer of light bulbs Manufacturer of blades, vanes & vane segments for airline turbine engines	--	--	0.32%	0.20%	0.18%	0.22%
Swagelok Mfg. Company ABB Automation, Inc.	Fluid system components Computer systems for electrical power plants, industrial processes and shipboard automations	--	--	--	0.20%	0.18%	0.17%
Swagelok Semiconductor Services Company	Manufacturer of Semiconductors	0.28%	0.23%	0.15%	--	--	0.16%
Nupro Company	Manufacturer of commercial valves, filters, billows, chick and metering valves and inline filters	--	--	--	--	--	0.16%
Parker Hannifin Corporation Steris Corporation	Manufacturer of fluid hose products, fittings Provider of infection, contamination prevention systems and products	0.23%	0.38%	0.44%	0.15%	0.13%	--
Morton International, Inc. Caraustar Custom Packaging	Salt mines Manufacturer of custom packaging materials, tubes, cores and composite containers	--	0.14%	0.12%	0.12%	0.10%	0.10%
Comcast of Massachusetts Media One of Ohio, Inc. Signature Energy Supply	Cable television Cable television Fuel rods for Perry Nuclear Power Plant	--	0.10%	0.12%	0.11%	0.10%	0.09%
OES Fuel Incorporated	Fuel rods for Perry Nuclear Power Plant	--	--	--	--	--	0.07%
		--	--	--	0.09%	0.08%	--
		--	--	0.12%	0.06%	0.05%	--
		--	--	0.10%	--	--	--
		0.57%	0.26%	0.13%	--	--	--

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Name of Taxpayer	Nature of Business	2000	2001	2002	2003	2004	2005
Public Utility (Real and Tangible Personal)							
Cleveland Electric Illuminating	Electric utility	8.85%	8.90%	5.34%	5.77%	5.03%	4.91%
Ohio Edison Company	Electric utility	1.63%	1.74%	0.85%	0.84%	0.84%	0.97%
Ameritech	Telephone utility	0.68%	0.52%	0.54%	0.54%	0.49%	0.48%
American Transmission	Electric utility	--	--	0.42%	0.40%	0.34%	0.31%
Aqua Ohio, Inc.	Water utility	--	--	--	--	--	0.26%
First Energy Generation	Electric utility	--	--	--	0.23%	0.22%	0.23%
Pennsylvania Power	Electric utility	0.77%	0.73%	0.22%	0.22%	0.20%	0.21%
East Ohio Gas	Natural gas utility	0.37%	0.34%	0.11%	0.12%	0.10%	0.11%
Western Reserve Telephone Co.	Telephone utility	0.12%	0.11%	0.11%	0.11%	0.09%	0.09%
CEI Company	Electric utility	--	--	--	--	0.06%	0.05%
Consumers Ohio	Water utility	0.23%	0.21%	0.24%	0.27%	0.24%	--
CSX Transportation, Inc.	Railroad	--	0.05%	0.05%	--	--	--
Toledo Edison	Electric utility	1.19%	1.09%	0.85%	1.16%	--	--

As demonstrated by the above and the Assessed and Estimated Actual Value of Taxable Property (page 97), property tax collections in 1999, 2000, 2001, 2002, 2003, 2004 and 2005 were \$8,422,757, \$8,685,720, \$8,496,489, \$8,796,623, \$9,070,877, \$9,170,282 and \$9,482,606 respectively, or an increase of 12.6% from 1999 to present.


2005-2006 BUDGETARY HIGHLIGHTS

The Executive Director proposed and the Board of Park Commissioners adopted an original budget for the year 2006. The budget called for General Fund expenditures and transfer of \$16,793,758 compared to the final adjusted budget in 2005 of \$12,213,534, an increase of 37.5%.

Other than an additional transfer of \$300,000 in 2005, there were no significant budgetary variances between the original budget and the final amended budget nor the final amended budget and actual results.

CONTACTING THE PARK DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, patrons and creditors with a general overview of the Park District's finances and to show the Park District's accountability for the funds it receives. If you have questions about this report or need additional financial information, contact the Director of Finance and Administration, Lake Metroparks, 11211 Spear Road, Concord Twp., Ohio 44077 or call (440) 639-9877.



Basic Financial Statements

Lake Metroparks
Statement of Net Assets
December 31, 2005

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and Cash Equivalents	\$1,281,736	\$295,757	\$1,577,493
Taxes Receivable	13,713,977	--	13,713,977
Accounts Receivable	15,872	4,109	19,981
Interest Receivable	7,834	1,239	9,073
Due From Other Governments	2,227,066	--	2,227,066
Inventories at Cost	223,256	54,420	277,676
Prepaid Items	125,116	28,434	153,550
Nondepreciable Capital Assets (Note 5)	13,728,528	2,707,181	16,435,709
Depreciable Capital Assets - Net (Note 5)	11,793,428	3,309,752	15,103,180
Net Goodwill	--	121,480	121,480
Restricted Cash	486,771	--	486,771
<i>Total Assets</i>	<u>\$43,603,584</u>	<u>\$6,522,372</u>	<u>\$50,125,956</u>
Liabilities			
Accounts Payable	\$178,849	\$7,438	\$186,287
Claims Payable	77,100	--	77,100
Due To Other Governments	127,996	11,261	139,257
Accrued Liabilities	39,307	7,361	46,668
Accrued Wages	113,279	9,086	122,365
Compensated Absences Payable	--	102,258	102,258
Deferred Revenue	14,809,436	--	14,809,436
Unearned Revenue	--	1,000	1,000
Noncurrent Liabilities:			
Due Within One Year	616,000	--	616,000
Due In More Than One Year	1,918,242	--	1,918,242
<i>Total Liabilities</i>	<u>17,880,209</u>	<u>138,404</u>	<u>18,018,613</u>
Net Assets			
Invested in Capital Assets	24,121,956	6,138,413	30,260,369
Restricted for:			
Capital Projects	27,472	--	27,472
Debt Services	165	--	165
Reserved for Encumbrances	167,473	--	167,473
Reserved for Inventory	223,256	--	223,256
Reserved for Prepays	125,116	--	125,116
Reserved for Contracts	81,370	--	81,370
Reserved for Drug Enforcement	3,747	--	3,747
Unrestricted	972,820	245,555	1,218,375
<i>Total Net Assets</i>	<u>25,723,375</u>	<u>6,383,968</u>	<u>32,107,343</u>
<i>Total Liabilities and Net Assets</i>	<u>\$43,603,584</u>	<u>\$6,522,372</u>	<u>\$50,125,956</u>

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

Lake Metroparks
Statement of Activities
For the Year Ended December 31, 2005

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Functions/Programs				
Governmental Activities				
Parks and Recreation	\$12,205,566	\$1,503,645	\$141,844	\$651,676
Interest on Long-term Debt	71,100	--	--	--
<i>Total Governmental Activities</i>	<u>12,276,666</u>	<u>1,503,645</u>	<u>141,844</u>	<u>651,676</u>
Business-type Activities				
Golf	1,739,870	1,468,153	3,100	--
<i>Total Business-type Activities</i>	<u>1,739,870</u>	<u>1,468,153</u>	<u>3,100</u>	<u>--</u>
<i>Total Primary Government</i>	<u>\$14,016,536</u>	<u>\$2,971,798</u>	<u>\$144,944</u>	<u>\$651,676</u>

General Revenues

Property Tax
Local Governmental
Interest
Miscellaneous
Total General Revenues
Change in Net Assets
Net Assets - Beginning
Net Assets - Ending

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

Net (Expense) Revenue and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-type Activities	Total
(\$9,908,401)	\$--	(\$9,908,401)
(71,100)	--	(71,100)
<u>(9,979,501)</u>	<u>--</u>	<u>(9,979,501)</u>
--	(268,617)	(268,617)
--	(268,617)	(268,617)
<u>(9,979,501)</u>	<u>(\$268,617)</u>	<u>(\$10,248,118)</u>
\$9,616,123	\$--	\$9,616,123
2,058,117	--	2,058,117
75,299	2,908	78,207
33,904	10,934	44,838
<u>11,783,443</u>	<u>13,842</u>	<u>11,797,285</u>
1,803,942	(254,775)	1,549,167
23,919,433	6,638,743	30,558,176
<u>\$25,723,375</u>	<u>\$6,383,968</u>	<u>\$32,107,343</u>

Lake Metroparks
Balance Sheet
Governmental Funds
December 31, 2005

	General Fund	Improvement Fund	Capital Improvement	Debt Service
Assets				
Cash and Cash Equivalents	\$1,281,736	\$65,344	\$29,697	\$165
Receivables				
Taxes	13,452,357	--	--	261,620
Accounts	15,872	--	--	--
Interest	5,548	283	130	--
Due From Other Governments	2,118,840	108,226	--	--
Inventories at Cost	223,256	--	--	--
Prepaid Items	125,116	--	--	--
<i>Total Assets</i>	<u>\$17,222,725</u>	<u>\$173,853</u>	<u>\$29,827</u>	<u>\$261,785</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$70,344	\$108,505	\$--	\$--
Due To Other Governments	127,996	--	--	--
Accrued Liabilities	39,307	--	--	--
Accrued Wages	113,279	--	--	--
Deferred Revenue	15,571,197	--	--	261,620
<i>Total Liabilities</i>	<u>15,922,123</u>	<u>108,505</u>	<u>--</u>	<u>261,620</u>
Fund Balances				
Reserved for Encumbrances	167,473	--	--	--
Reserved for Inventory	223,256	--	--	--
Reserved for Prepays	125,116	--	--	--
Reserved for Contracts	13,667	64,771	2,932	--
Unreserved	771,090	577	26,895	165
<i>Total Fund Balances</i>	<u>1,300,602</u>	<u>65,348</u>	<u>29,827</u>	<u>165</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$17,222,725</u>	<u>\$173,853</u>	<u>\$29,827</u>	<u>\$261,785</u>

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

Lake Metroparks
Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
December 31, 2005

Other Governmental/ Drug Enforcement Fund	Total Governmental Funds		
		Total Governmental Funds Balances	\$1,399,689
\$3,730	\$1,380,672	<i>Amounts reported for governmental activities in the Statement of Net Assets are different because:</i>	
--	13,713,977	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	25,521,956
--	15,872		
17	5,978		
--	2,227,066		
--	223,256	Long-term assets that are not available to pay current period expenditures and therefore are deferred in the fund.	1,023,381
--	125,116		
<u>\$3,747</u>	<u>\$17,691,937</u>		
		Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(2,534,242)
\$--	\$178,849		
--	127,996		
--	39,307		
--	113,279	Internal Service Funds are not reported in the funds statement but are governmental activities in the Statement of Net Assets.	312,591
--	15,832,817		
--	16,292,248		
		Net Assets of Governmental Activities	<u>\$25,723,375</u>
--	167,473		
--	223,256		
--	125,116		
--	81,370		
3,747	802,474		
<u>3,747</u>	<u>1,399,689</u>		
<u>\$3,747</u>	<u>\$17,691,937</u>		

Lake Metroparks
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2005

	General Fund	Improvement Fund	Capital Improvement	Debt Service
Revenues				
Property Tax	\$8,321,742	\$--	\$--	\$271,000
Intergovernmental	2,080,112	651,676	--	--
Fees and Admissions	1,094,668	4,302	--	--
Merchandise Sales	401,545	--	--	--
Interest	65,414	2,119	1,705	--
Fines and Forfeits	2,230	--	--	--
Contributions	105,439	14,410	--	--
Miscellaneous	32,404	1,500	--	--
<i>Total Revenues</i>	<u>12,103,554</u>	<u>674,007</u>	<u>1,705</u>	<u>271,000</u>
Expenditures				
Parks and Recreation	11,139,888	--	--	--
Capital Outlay	84,398	1,082,621	43,883	--
Debt Service				
Principal Retirement	--	--	--	200,000
Interest	--	--	--	71,100
<i>Total Expenditures</i>	<u>11,224,286</u>	<u>1,082,621</u>	<u>43,883</u>	<u>271,100</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>879,268</u>	<u>(408,614)</u>	<u>(42,178)</u>	<u>(100)</u>
Other Financing Sources (Uses)				
Transfers In	--	420,000	--	--
Transfers Out	(420,000)	--	--	--
<i>Total Other Financing Sources (Uses)</i>	<u>(420,000)</u>	<u>420,000</u>	<u>--</u>	<u>--</u>
<i>Net Change in Fund Balances</i>	459,268	11,386	(42,178)	(100)
<i>Fund Balances - Beginning of the Year</i>	841,251	53,962	72,005	265
<i>Increase (Decrease) in Reserve for Inventories</i>	<u>83</u>	<u>--</u>	<u>--</u>	<u>--</u>
<i>Fund Balances - End of the Year</i>	<u><u>\$1,300,602</u></u>	<u><u>\$65,348</u></u>	<u><u>\$29,827</u></u>	<u><u>\$165</u></u>

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

Lake Metroparks
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2005

Other Governmental/ Drug Enforcement Fund	Total Governmental Funds		
		Net Changes in Fund Balances - Total Governmental Funds	\$425,585
		<i>Amounts reported for Governmental Activities in the Statement of Activities are different because:</i>	
\$--	\$8,592,742		
--	2,731,788		
--	1,098,970		
--	401,545		
159	69,397	Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(50,303)
900	3,130		
--	119,849		
--	33,904	Repayment of bond principal is an expenditure in the governmental funds. But the repayment reduces long-term liabilities in the Statement of Net Assets.	200,000
<u>1,059</u>	<u>13,051,325</u>		
--	11,139,888	In the Statement of Activities interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(360)
3,850	1,214,752		
--	200,000	Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(45,726)
--	71,100		
<u>3,850</u>	<u>12,625,740</u>		
(2,791)	425,585	Internal service activity is not reported in governmental funds but is reported as governmental activities in the Statement of Activities.	251,282
--	420,000		
--	(420,000)	Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds.	1,023,381
--	--		
(2,791)	425,585	Increase in inventory is reported as an addition to expense on the governmental-wide statements and not reported in net change in fund balance.	<u>83</u>
6,538	974,021	<i>Change in Net Assets of Governmental Activities</i>	<u><u>\$1,803,942</u></u>
--	83		
<u>\$3,747</u>	<u>\$1,399,689</u>		

Lake Metroparks
Statement of Net Assets
Proprietary Funds
December 31, 2005

	Business-type Activities	Governmental Activities
	Golf	Hospitalization - Internal Service
Assets		
Current Assets		
Cash and Cash Equivalents	\$295,757	\$387,835
Interest Receivable	1,239	1,856
Accounts Receivable	4,109	--
Inventories at Cost	54,420	--
Prepaid Items	28,434	--
Total Current Assets	<u>383,959</u>	<u>389,691</u>
Noncurrent Assets		
Net Capital Assets	6,016,933	--
Net Goodwill	121,480	--
Total Noncurrent Assets	<u>6,138,413</u>	<u>--</u>
<i>Total Assets</i>	<u><u>\$6,522,372</u></u>	<u><u>\$389,691</u></u>
Liabilities		
Current Liabilities		
Accounts Payable	\$7,438	\$--
Claims Payable	--	77,100
Due To Other Governments	11,261	--
Accrued Liabilities	7,361	--
Accrued Wages	9,086	--
Compensated Absences Payable	102,258	--
Unearned Revenue	1,000	--
<i>Total Liabilities</i>	<u>138,404</u>	<u>77,100</u>
Net Assets		
Invested in Capital Assets	6,138,413	--
Unrestricted	245,555	312,591
<i>Total Net Assets</i>	<u>6,383,968</u>	<u>312,591</u>
<i>Total Liabilities and Net Assets</i>	<u><u>\$6,522,372</u></u>	<u><u>\$389,691</u></u>

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

Lake Metroparks
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
For the Year Ended December 31, 2005

	Business-type Activities	Governmental Activities
	Golf	Hospitalization - Internal Service
Operating Revenues		
Billings to Departments	\$--	\$937,514
Charges for Services	1,468,153	3,942
Contributions	3,100	--
Miscellaneous	2,908	--
<i>Total Operating Revenues</i>	<u>1,474,161</u>	<u>941,456</u>
Operating Expenses		
Salaries	616,171	--
Fringes	181,212	--
Commodities	304,199	--
Contractual Services	362,595	--
Claims	--	509,792
Premiums	--	186,126
Bank Fees	--	158
Depreciation	268,685	--
Amortization	7,008	--
<i>Total Operating Expenses</i>	<u>1,739,870</u>	<u>696,076</u>
<i>Operating (Loss)</i>	<u>(265,709)</u>	<u>245,380</u>
Non-Operating Revenues		
Interest	10,934	5,902
<i>Total Non-Operating Revenues</i>	<u>10,934</u>	<u>5,902</u>
<i>Change in Net Assets</i>	(254,775)	251,282
<i>Total Net Assets - Beginning of the Year</i>	<u>6,638,743</u>	<u>61,309</u>
<i>Total Net Assets - End of the Year</i>	<u><u>\$6,383,968</u></u>	<u><u>\$312,591</u></u>

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

Lake Metroparks
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2005

	Business-type Activities	Governmental Activities	
	Golf	Hospitalization - Internal Service	Total
Cash Flows from Operating Activities			
Cash Received for Premiums within the Park District	\$--	\$937,514	\$937,514
Cash Received from Charges for Services	1,473,545	3,942	1,477,487
Cash Paid to Employees for Services	(778,872)	--	(778,872)
Cash Paid for Operating Contracts and Supplies	(673,294)	--	(673,294)
Cash Paid for Claims, Premiums and Bank Fees	--	(674,363)	(674,363)
<i>Net Cash Provided by Operating Activities</i>	<u>21,379</u>	<u>267,093</u>	<u>288,472</u>
Cash Flows from Capital and Related Financing Activities			
Payment for Capital Acquisitions	(14,620)	--	(14,620)
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(14,620)</u>	<u>--</u>	<u>(14,620)</u>
Cash Flows from Investing Activities			
Interest Received	10,083	4,114	14,197
<i>Net Cash Provided by Investing Activities</i>	<u>10,083</u>	<u>4,114</u>	<u>14,197</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	16,842	271,207	288,049
<i>Cash and Cash Equivalents at the Beginning of the Year</i>	278,915	116,628	395,543
<i>Cash and Cash Equivalents at the End of the Year</i>	<u>\$295,757</u>	<u>\$387,835</u>	<u>\$683,592</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	(\$265,709)	\$245,380	(\$20,329)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation	268,685	--	268,685
Amortization	7,008	--	7,008
Current Assets (Increase) Decrease:			
Accounts Receivable	384	--	384
Inventories	(11,763)	--	(11,763)
Prepaid Items	6,066	--	6,066
Decrease (Increase) in Current Assets	<u>(5,313)</u>	<u>--</u>	<u>(5,313)</u>
Current Liabilities Increase (Decrease):			
Accounts Payable	1,658	--	1,658
Due To Other Governments	2,064	--	2,064
Accrued Liabilities	1,155	--	1,155
Accrued Wages	1,822	--	1,822
Compensated Absences Payable	11,009	--	11,009
Unearned Revenues	(1,000)	--	(1,000)
Increase in Current Liabilities	<u>16,708</u>	<u>--</u>	<u>16,708</u>
Increase (Decrease) in Payables from Restricted Assets	<u>--</u>	<u>21,713</u>	<u>21,713</u>
Total Adjustments	<u>287,088</u>	<u>21,713</u>	<u>308,801</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$21,379</u>	<u>\$267,093</u>	<u>\$288,472</u>

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

Lake Metroparks
Statement of Fiduciary Net Assets
Agency Fund
December 31, 2005

Assets

Restricted Cash and Cash Equivalents	\$39,509
<i>Total Assets</i>	<u>\$39,509</u>

Liabilities

Payable from Restricted Assets	\$28,269
Due To Other Governments	100
Retainage Due Contractors	11,140
<i>Total Liabilities</i>	<u>\$39,509</u>

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

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Notes to Basic Financial Statements for the Year Ended December 31, 2005 Lake Metroparks, Ohio

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Lake Metroparks. Lake Metroparks was created December 30, 1958 under the authority of Chapter 1545 of the Ohio Revised Code. The Ohio Revised Code indicates that the Park District was created for the purpose of conserving the natural resources of the State. The Code also provides for a Board of Park Commissioners, which has the authority to develop the Park District lands in a manner conducive to the general welfare of the community. The legislative power of the Park District is vested in the Board of Park Commissioners. The Board of Park Commissioners consists of three members who are appointed by the Judge of the Lake County Probate Court and serve without pay for three-year alternating terms. Appointments or reappointments are made each year. The first Board of Park Commissioners took office on May 11, 1959. During the first session each year, the Board of Park Commissioners elects one of the three members as president and the other two as vice presidents. The Board of Park Commissioners has passed the following Park District's mission statement: "The mission of Lake Metroparks is to conserve and preserve the natural resources of Lake County while providing a variety of safe, affordable and enjoyable educational and recreational programs and activities that enhance the quality of life in Lake County now and for the generations to follow."

In March of each year the Board of Park Commissioners appoints an Executive Director who is the chief executive officer of the Park District. The Executive Director is responsible for executing the policy of the Board of Park Commissioners and is authorized to establish administrative procedures as he/she deems necessary.

The Park District consists of approximately 5,859 owned acres, 669 leased acres of park land and holds 600 acres of conservation easements including 29 parks and 13 natural preserves ranging in size from approximately one acre to 870 acres. Listed are the names and addresses of the parks.

Arcola Creek Estuary -- Lake Road, Madison Twp.

Chagrin River Park -- Reeves Road, Willoughby/Eastlake

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

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

Concord Woods -- Spear Road, Concord Twp.

Environmental Learning Center -- Alexander Road, Concord

Erie Shores Golf Course -- Lake Road East, Madison

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

Girdled Road Reservation -- Radcliffe Road, Concord Twp.

Gulley Brook -- Ridge Road, Willoughby

Greenway -- B&O Rail Corridor

Helen Hazen Wyman Park -- Rt. 86, Painesville

Hell Hollow Wilderness Area -- Leroy Center Road, Leroy

Hidden Valley Park -- Klasen Road, Madison

Hogback Ridge -- Emerson Road, Madison

Indian Point Park -- Seeley Road, Leroy Twp.

Lake Farmpark -- Rt. 6, Kirtland

Lakefront Lodge -- Lakeshore Blvd., Willowick

Lakeshore Reservation -- Lockwood Road, North Perry

Mason's Landing Park -- Vrooman Road, Perry

Paine Falls Park -- Paine Road, Leroy Twp.

Painesville Township Park -- Hardy Road, Painesville Twp.

Parsons Garden -- Erie Road, Willoughby

Penitentiary Glen Reservation -- Kirtland-Chardon Road, Kirtland

Pine Ridge Country Club -- Ridge Road, Wickliffe

Resources Center -- Palisades Road, Madison

Riverview Park -- Bailey Road, Madison

River Road Maintenance Facility -- River Road, Madison

Veterans Park -- Hopkins Road, Mentor

B. Reporting Entity. In evaluating how to define the governmental entity, the Park District has considered all potential component units. The decision to include or exclude a potential unit was made by applying the criteria defined by Governmental Accounting Standards Board (GASB) Statement No. 14. The basic criteria for including a potential component unit is the authority to appoint a voting majority of an organization's governing board, ability to impose its will on that organization, the potential for that organization to provide specific financial benefits or impose specific financial burdens and that organization's fiscal dependency. Based on this criterion, there are no component units.

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

C. Basis of Presentation – Fund Accounting. The accounts of the Park District are maintained on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. Listed below are the descriptions for all fund categories presently in use at the Park District.

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

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

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

Capital Improvement Fund. The Capital Improvement Fund is used for the construction of major capital facilities and the purchase of land and buildings. The Capital Improvement Fund accounts for a \$2,000,000 revenue bond issued in July 2002. The proceeds are being used for the purchase of land and land improvements.

Debt Service Fund. The Debt Service Fund is used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest, and related costs.

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

E. Proprietary Funds.

With respect to proprietary activities, Lake Metroparks has adopted GASB Statement No. 20 “Accounting and Financial Reporting for Proprietary Funds and Other Governmental Units that Use Proprietary Fund Accounting”. The Park District has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board pronouncements and Accounting Principles Board Opinions issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements.

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

Internal Service Fund. The Internal Service Fund is established to account for the provision of goods and services by one department of the government to other departments within the government on generally a not-for-profit (cost-reimbursement) basis. The Internal Service Fund is financed through the budgets of the user departments. In 1990, the Park District established a self-insured hospitalization program. The self-insured program included individual stop-loss insurance of \$70,000 and aggregate stop-loss insurance of approximately \$1,200,000 as of December 31, 2005.

F. Fiduciary Fund.

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

G. Presentation of Financial Statements.

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

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide *Statement of Activities* presents a comparison between expenses and program revenues for both programs of the governmental activities. Program revenues include charges paid by the recipients of the goods or services such as children’s camps, Farmpark admission, senior trips, special populations, softball programs, dance programs, cross-country skiing, sales of snacks and gift shop items, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the Park District.

Net assets should be reported as restricted when constraints placed on net asset use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net assets restricted for other purposes result from special revenue funds and the restrictions on their net asset use. The Agency Fund is not reported in the government-wide financial statements.

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

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the *Statement of Net Assets*. Fund Equity (i.e. net assets) is segregated into invested in capital assets net of related debt and unrestricted. Proprietary fund type operating statements present increases (i.e. revenues) and decreases (i.e. expenses) in net assets. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's principal ongoing operations. The principal revenue of the Golf Fund is charges to customers for use of the golf course and rental fees. Operating expenses for the Golf Fund include the cost of sales and services, administrative expenses and depreciation on capital assets. The Hospitalization Fund revenues include charges to departments and charges for COBRA. Expenses include claims, bank fees, stop-loss premiums, and administrative cost.

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

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

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

The Park District reports deferred revenue on its balance sheet. Deferred revenue arises when potential revenue does not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Property taxes measurable as of December 31, 2005 have been recorded as deferred revenue.

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

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

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

H. Pooled Cash and Cash Equivalents. Cash balances of certain Park District funds are pooled and invested. Each fund’s interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents” on the balance sheet. During 2005, investments were limited to STAROhio and Federal Agency securities. 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, 2005. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. The Park District had no investments as of December 31, 2005 recorded at amortized cost. Interest earned from investments purchased with pooled cash is allocated to pooled funds as prescribed by Ohio law and Board policy. For the Internal Service Fund (Hospitalization) and Enterprise Fund (Golf), as noted on the *Statement of Cash Flows*, all restricted cash and cash equivalents with an original maturity date within three months are readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

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

J. Prepaid Items. Prepaid items represent payments made by the Park District for maintenance agreements and insurance that will benefit periods beyond December 31, 2005. Recorded prepaids in governmental fund types are equally offset by a fund balance reserve which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

K. Capital Assets. Governmental-type capital assets include land, buildings, furniture and fixtures, livestock, machinery and equipment, vehicles, construction in progress, leasehold improvements and infrastructure owned by the Park District and are stated at historical or estimated historical cost. Donated capital assets are stated at estimated market value at the time of donation. The Park District’s threshold for capitalization of assets is \$500 and a lifetime of at least two years.

Depreciation for governmental-type capital assets is provided using the straight-line method over the estimated life of the asset. Depreciation lives used for property items within each property classification are as follows:

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

Capital assets for the business-type activities (Enterprise Fund) are recorded at historical cost. Depreciation is charged as an expense against operations and capital assets are recorded net of accumulated depreciation on the *Statement of Net Assets*. See Note 5B (page 53) for accumulated depreciation by asset class.

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

Buildings	15-50 years
Machinery/ Equipment	2-20 years
Vehicles	10-15 years
Furniture/Fixtures	5-20 years

L. Compensated Absences.

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

Vacation. Accumulated unpaid vacation pay is accrued when earned and is normally paid in the subsequent calendar year. However, unused vacation can be carried over and accrued up to a maximum of 240 hours. The Park District accrues up to the maximum of vacation hours as long-term for each employee in the Long-term Liabilities in the *Statement of Net Assets*. A liability of \$315,934 is shown.

Sick Leave. Sick leave accumulates at the rate of .0577 for each hour worked. There is no maximum accumulation; it is to be used as needed. Upon retirement or voluntary termination, a payout of unused sick leave is awarded on a graduated percentage in accordance with length of service, not to exceed 960 hours, as listed.

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

At December 31, 2005, the Park District recorded a liability for sick leave totaling \$765,457 in accordance with GASB Statement No. 16. Assuming all unused sick leave were to be taken as time off from work, an additional \$1,627,787 would be paid by the Park District.

Compensatory Time. All non-exempt employees may be granted compensatory time which is earned at a rate of one and one-half times the hours worked over 40 in a work week. Seasonal positions may be allowed to accumulate compensatory time for a given period of time, not to exceed 160 hours. Shown in Long-term debt Obligation as part of Compensated Absences is \$21,395 for employee accrued compensatory time as of December 31, 2005.

Personal Time. All part-time employees earn personal time at an accrual rate of .0192 per regular hour worked. The maximum accrual per calendar year would be 40 hours. Said personal time accrued by the Park District is in the amount of \$31,456.

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

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

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

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

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

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

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

The Board of Park Commissioners made various supplemental appropriations, intradivision transfers and intrafund transfers which resulted in an increase in the General Fund of \$333,900. The Board of Park Commissioners' appropriation adjustments were made in July, August, September, October, November and December and are reflected in the budgetary schedules contained in the required supplementary information. Other budgetary schedules are in supplementary information.

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

O. Leasehold Improvements. In 1991, the Park District entered into three joint lease agreements with the City of Mentor, Painesville Township Board of Park Commissioners, and the Village of Fairport Harbor to operate, respectively, Veterans Park in Mentor, Painesville Township Park, and Fairport Harbor Lakefront Park. The lease agreements are as follows: Veterans Park, 20 years; Painesville Township Park, 25 years; and Fairport Harbor Lakefront Park, 20 years. In 1993, the Park District signed two additional joint-lease agreements with the City of Willowick for the Lakefront Lodge and with the Lake County Commissioners for the Arcola Creek Estuary. The agreements were for 20 and 10 years respectively. In 2004, the Arcola Creek Estuary agreement was renewed for another 10 years. Also in 2004, the lease agreement with the Mentor Exempted School District for lands adjacent to the Veterans Park facility, originally entered into in 1994, was renewed for 10 years. In 2000, a leasehold with the City of Mentor-on-the-Lake comprising 7.7 acres adjacent to Veterans Park was approved for a period of 11 years. In 2001, a lease of 40.3 acres (Gulley Brook) for a period of 20 years was agreed to with the Willoughby/Eastlake Board of Education. In 2005, there were no additional lease agreements entered into. The leasehold improvements recorded as capital assets in Note 5 (page 53) represent capital assets purchased by the Park District to improve the facilities.

NOTE 2. PROPERTY TAX

Property taxes include amounts levied against all real, public utility, and tangible personal property (used in business) located in the county. Taxes collected from real property (other than public utility property) in one calendar year are levied after October 1 in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years with a triennial update. Real property taxes received by the Park District in 2005 were based upon property values which were last reevaluated in 2003, a triennial update. A revaluation will take place in 2006. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20. If paid semi-annually, the first payment is due January 20 with the remainder payable by June 20. In certain circumstances, state statute permits earlier or later payment dates to be established.

In 2005 the State of Ohio passed a tax reform package known as House Bill 66, which replaced the tangible tax with the Commercial Activity Tax (CAT). The Commercial Activity Tax is set to begin in 2006 and collection of tangible tax will end during tax year 2006. During 2005, the Park District received \$1,227,492 in tangible tax. The State of Ohio has guaranteed a whole replacement of tangible tax for collection years 2006, 2007, 2008, 2009 and 2010. The following schedule is for reimbursement for periods after that. There is no reimbursement or replacement of the tangible tax after collection year 2018.

Reimbursement percentages after first five years:

Collection Year	Business Property	Telephone Co. Property
2011	82%	100%
2012	65%	88%
2013	53%	75%
2014	41%	63%
2015	29%	50%
2016	18%	38%
2017	6%	25%
2018	0%	13%

The Park District property tax is generated from three sources. The first is an unvoted .1 mil levy levied by the Board of Park Commissioners. The second is a voted .3 mil ten-year renewal levy passed in November 1984, replaced in November 1994, and renewed in November 2004. The third is a voted 1.9 mil ten-year levy passed in November 1986, renewed in November 1995, and replaced in 2005. It should be noted that the 1994 and 2005 voted levies are subject to the Ohio Revised Code Reduction Factors and in 2005 were levied at effective rates of approximately .19 mil and .87 mil respectively. However, beginning in 2006 the 1.9 mil ten-year levy has been renewed with a collection rate of 1.89 which will result in an increase of approximately \$5,000,000 in property taxes.

The following are assessed values of real and tangible personal property upon which 2005 property tax receipts were based.

General Real Estate R/A	\$4,264,555,360
General Real Estate-Other	1,199,475,990
Public Utility Tangible	403,485,420
General Tangible Personal Property	478,531,679
Total Valuation	\$6,346,048,449

Property taxes estimated as of December 31, 2005 to be levied in 2006 are accrued as a receivable and offset as deferred revenue.

NOTE 3. DEPOSITS AND INVESTMENTS

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

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

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

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

Interim monies held by the Park District can be deposited or invested in the following securities:

1. U.S. Treasury Bills and Notes and all other investments backed by the full faith and credit of the U.S. Government, or an agency of the U.S. Government;
2. Certificates of Deposit, fully collateralized, issued by F.D.I.C. Depository banks and savings institutions in Lake County;
3. As authorized by Ohio Revised Code Section 135.45, the Treasurer may invest in the State Treasury Asset Reserve Ohio program (STAROhio); and,

4. Repurchase agreements, fully collateralized, purchased through F.D.I.C. local banks or State of Ohio registered brokers operating through a third party trustee.

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

Cash on Hand. At year-end, the Park District had \$9,865 in undeposited cash on hand, which is included on the balance sheet of the Park District as part of equity in pooled cash and cash equivalents.

Deposits

At December 31, 2005, the Park District had the following:

	<u>Fair Value</u>	<u>Average Maturity</u>
Certificates of Deposit	\$1,800,000	1/11/06 – 2/23/06

Custodial Credit Risk. Custodial credit risk for deposits is the risk that in the event of bank failure, the Park District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At fiscal year end, \$1,450,000 of the Park District's bank balance of \$1,921,459 was uninsured and uncollateralized. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Park District to a successful claim by the F.D.I.C.

The Park District has no deposit policy for custodial risk beyond the requirement of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Park District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Investments

Investments are reported at fair value. As of December 31, 2005, the Park District had the following investment:

	<u>Fair Value</u>	<u>Average Maturity</u>
STAROhio	\$10,000	33 Days

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

Custodial Credit Risk. In so much as the Park District's investments are with Certificates of Deposit and STAROhio, there is no custodial credit risk.

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

Concentration of Credit Risk. The Park District places no limit on the amount it may invest in any one issuer. The following is the Park District's allocation:

Investments	Percentage of Investments
STAROhio	100%

NOTE 4. PENSIONS

A. GASB Statement No. 27 “Accounting for Pensions by State and Local Governmental Employers” established standards for the measurement, recognition, and display of pension expense and related liabilities, assets and note disclosure in the financial reports of state and local government employers.

Lake Metroparks contributes to the Ohio Public Employees Retirement System (OPERS) which administers three separate pension plans as described below:

1. The Traditional Pension Plan (TP) – a cost-sharing, multiple-employer defined benefit pension plan.
2. The Member-Directed Plan (MD) – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.
3. The Combined Plan (CO) – a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits.

Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. The Ohio Public Employees Retirement System issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-6701 or 800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2005, member and employer contribution rates were consistent across all three plans. Separate divisions for law enforcement and public safety exist only within the Traditional Pension Plan.

The 2005 member contribution rates were 8.5% for members in state and local classifications. Members in the law enforcement classification, which consists generally of sheriffs, deputy sheriffs and township police, contributed at a rate of 10.1%. Public safety division members contributed at 9%.

The 2005 employer contribution rate for state employers was 13.31% of covered payroll. For local government employer units, the rate was 13.55% of covered payroll. For both the law enforcement and public safety divisions, the employer contribution rate for 2005 was 16.7%.

Total required employer contributions for all plans are equal to 100% of employer charges and should be extracted from the employer's records.

B. Classification of Employees. Two classes of the Park District employees exist: one is law enforcement employees, the other is regular employees. Both classes of employees are members of OPERS. However, each classification of employees is charged a different employee and employer rate by OPERS. The regular employees contribute 8.5% of their salaries to the plan, and the Park District contributes 13.55% of which 4% was applied towards the health care plan for retirants. The law enforcement employees contribute 10.1% of their salaries to the plan, and the Park District contributes 16.7%, of which 4% was applied towards the health care plan for law enforcement retirants. The contributions to OPERS for regular employees for the years ending December 31, 2005, 2004 and 2003 were \$599,564, \$617,038, and \$517,336 respectively, which represented 100% of contributions due. The contributions to OPERS for law enforcement employees for the years ending December 31, 2005, 2004 and 2003 were \$72,470, \$75,767, and \$64,941 respectively, which represented 100% of contributions due.

C. GASB Statement No. 12 “Disclosure of Information on Postemployment Benefits other than Pension Benefits by State and Local Governmental Employers” establishes standards for disclosure of information on post-employment benefits other than pension benefits by all state and local government employers. Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS provides retirement, disability, and survivor benefits as well as post-retirement health care coverage to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-retirement health care coverage, age-and-service retirees under the Traditional Pension and the Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-employment Benefit (OPEB) as described in GASB Statement 12.

A portion of each employer’s contribution to OPERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. In 2005, state employers contributed at a rate of 13.31% of covered payroll, local government employer units contributed at 13.55% of covered payroll, and public safety and law enforcement employer units contributed at 16.7%. The portion of employer contributions for all employers allocated to health care was 4%.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS.

Summary of Assumptions:

Actuarial Review. The assumptions and calculations below were based on OPERS’ latest actuarial review performed as of December 31, 2004.

Funding Method. An entry-age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability.

Assets Valuation Method. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted to reflect 25% of unrealized market appreciation or depreciation on investment assets annually.

Investment Return. The investment assumption rate for 2004 was 8%.

Active Employee Total Payroll. An annual increase of 4%, compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4% base increase, were assumed to range from 0.50% to 6.30%.

Health Care. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 1% to 6% for the next 8 years. In subsequent years (9 and beyond) health care costs were assumed to increase at 4% (the projected wage inflation rate).

OPEBs are advance-funded on an actuarially determined basis. The following disclosures are required:

- The Traditional Pension and Combined Plans had 376,109 active contributing participants as of December 31, 2005. The number of active contributing participants for both plans used in the December 31, 2004 actuarial valuation was 369,885.
- The rates stated in paragraph one are the actuarially determined contribution requirements for OPERS. The Park District's actual contributions for 2005 which were used to fund post-employment benefits were \$273,947.
- The amount of \$10.8 billion represents the actuarial value of OPERS' net assets available for OPEBs at December 31, 2004 (latest information available).
- The actuarial valuation as of December 31, 2004, reported the actuarially accrued liability and the unfunded actuarially accrued liability for OPEB, based on the actuarial cost method used, at \$29.5 billion and \$18.7 billion, respectively.

OPERS Retirement Board Adopts Health Care Preservation Plan:

- The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, will be effective January 1, 2007. In addition to the HCPP, OPERS has taken additional action to improve the solvency of the Health Care Fund in 2005 by creating a separate investment pool for health care assets. As an additional component of the HCPP, member and employer contribution rates increased as of January 1, 2006, which will allow additional funds to be allocated to the health care plan.

NOTE 5. CAPITAL ASSETS

A. Capital Assets – Governmental Activities. Changes in capital assets during the year ended December 31, 2005 follow.

Class	Balance December 31, 2004	Additions	Deletions	Balance December 31, 2005	Less Accumulated Depreciation	Net Book Value
Non-depreciated assets:						
Land	\$12,839,960	\$675,920	\$--	\$13,515,880	\$--	\$13,515,880
Livestock	35,574	--	9,000	26,574	--	26,574
Construction in Progress	166,154	186,074	166,154	186,074	--	186,074
Total non-depreciated Assets	13,041,688	861,994	175,154	13,728,528	--	13,728,528
Depreciated assets:						
Buildings	8,831,289	3,303	208,445	8,626,147	2,874,273	5,751,874
Machinery/Equipment	2,684,156	64,033	24,552	2,723,637	1,926,590	797,047
Vehicles	2,390,759	16,520	23,452	2,383,827	1,586,472	797,355
Furniture/Fixtures	693,259	25,000	4,635	713,624	597,593	116,031
Leasehold Improvements	1,212,318	--	--	1,212,318	419,790	792,528
Infrastructure	5,374,236	277,808	--	5,652,044	2,113,451	3,538,593
Total depreciated Assets	21,186,017	386,664	261,084	21,311,597	9,518,169	11,793,428
Total Capital Assets	\$34,227,705	\$1,248,658	\$436,238	\$35,040,125	\$9,518,169	\$25,521,956

B. Capital Assets – Business-type Activities. Changes in Golf Fund capital assets during the year ended December 31, 2005 follow.

Class	Balance December 31, 2004	Additions	Deletions	Balance December 31, 2005	Less Accumulated Depreciation	Net Book Value
Non-depreciated assets:						
Land	\$2,707,181	\$--	\$--	\$2,707,181	\$--	\$2,707,181
Construction in Progress	141,000	--	141,000	--	--	--
Total non-depreciated Assets	2,848,181	--	141,000	2,707,181	--	2,707,181
Depreciated assets:						
Buildings	2,530,475	148,050	--	2,678,525	720,949	1,957,576
Machinery/Equipment	879,127	47,196	39,331	886,992	568,331	318,661
Vehicles	203,336	--	400	202,936	193,398	9,538
Furniture/Fixtures	172,461	997	892	172,566	108,327	64,239
Land Improvement	1,947,043	--	--	1,947,043	987,305	959,738
Total depreciated Assets	5,732,442	196,243	40,623	5,888,062	2,578,310	3,309,752
Total Capital Assets	\$8,580,623	\$196,243	\$181,623	\$8,595,243	\$2,578,310	\$6,016,933

C. Changes in Accumulated Depreciation – Governmental Activities for the year ended December 31, 2005. Governmental activities depreciation is charged to Parks and Recreation.

Class	Accumulated Depreciation December 31, 2004	Additions	Deletions	Accumulated Depreciation December 31, 2005
Buildings	\$2,663,285	\$262,047	\$51,059	\$2,874,273
Machinery/Equipment	1,725,247	222,880	21,537	1,926,590
Vehicles	1,376,171	224,372	14,071	1,586,472
Furniture/Fixtures	564,669	36,958	4,034	597,593
Lease-hold Improvements	384,585	35,205	--	419,790
Infrastructure	1,941,489	171,962	--	2,113,451
Total Accumulated Depreciation	\$8,655,446	\$953,424	\$90,701	\$9,518,169

D. Changes in Accumulated Depreciation – Business-type Activities for the year ended December 31, 2005. Business-type activities depreciation is charged to Golf.

Class	Accumulated Depreciation December 31, 2004	Additions	Deletions	Accumulated Depreciation December 31, 2005
Buildings	\$630,211	\$90,738	\$--	\$720,949
Machinery/Equipment	519,359	80,448	31,476	568,331
Vehicles	187,873	5,925	400	193,398
Furniture/Fixtures	97,315	11,871	859	108,327
Land Improvements	874,867	112,438	--	987,305
Total Accumulated Depreciation	\$2,309,625	\$301,420	\$32,735	\$2,578,310

NOTE 6. LONG-TERM DEBT OBLIGATIONS

A. 2002 Revenue Bond. On July 16, 2002, Lake Metroparks issued a ten-year \$2,000,000 private placement revenue serial bond. The Park pledged general earned revenues. The \$2,000,000 was deposited in the Capital Improvement Fund for various land purchases and capital improvements. The debt is to be repaid from the Debt Service Fund. Listed below is the debt schedule.

Year	Interest	Principal	Interest Rate
2006	61,620	200,000	4.74%
2007	52,140	200,000	4.74%
2008	42,660	200,000	4.74%
2009	33,180	200,000	4.74%
2010	23,700	200,000	4.74%
2011	14,220	200,000	4.74%
2012	4,740	200,000	4.74%

B. Changes in Long-term Liabilities. During the year ended December 31, 2005, the following changes occurred in liabilities reported in long-term liabilities governmental activities.

Long-Term Debt Obligations	December 31, 2004	Additions	Reductions	December 31, 2005	Due Within One Year
Compensated Absences	\$1,088,516	\$422,287	\$376,561	\$1,134,242	\$416,000
Revenue Bond 2002	1,600,000	--	200,000	1,400,000	200,000
Total	\$2,688,516	\$422,287	\$576,561	\$2,534,242	\$616,000

The General Fund is the governmental fund type that has been used to liquidate compensated absences.

NOTE 7. RESERVED FOR CONTRACTS

Reserved for Contracts as of December 31, 2005 was \$2,932 in the Capital Improvement Fund, \$64,771 in the Improvement Fund, and \$13,667 in the General Fund as detailed below:

Capital Improvement Fund:

Infrastructure	<u>\$2,932</u>
	<u>\$2,932</u>

Improvement Fund:

Environmental Learning Center, Equipment	\$45
Environmental Learning Center, Design	1,500
Environmental Learning Center, Design	1,000
Environmental Learning Center, Design	54,311
St. Clair Street, Construction	<u>7,915</u>
	<u>\$64,771</u>

General Fund:

Cleaning	\$2,657
Sewer Repair	7,636
Equipment	1,740
Printing	<u>1,634</u>
	<u>\$13,667</u>

NOTE 8. GOODWILL

On May 1, 1993, the Park District purchased the Pine Ridge Country Club for \$2,700,000. At that time the fair market value of the net assets was \$2,489,750. Therefore, \$210,250 was recorded as Goodwill. Goodwill is being amortized on a straight-line basis over 30 years. Goodwill charged in 2005 was \$7,008. As of December 31, 2005 the Goodwill balance was \$121,480.

The amortization schedule is shown below:

Year	Amount Amortized	Balance of Goodwill
2006	7,008	114,472
2007	7,008	107,464
2008	7,008	100,456
2009	7,008	93,448
2010-2023	93,448	--

NOTE 9. RISK MANAGEMENT

Lake Metroparks 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 2005, the Park District contracted with several companies for various types of insurance as follows:

Carrier	Coverage	Deductible
Travelers/St. Paul	Boiler-Machinery	\$2,500
Lexington	Liquor Liability	\$1,000
Arch	Ranger Liability	\$5,000
Arch	Public Officials Liability	\$5,000
AIG	Volunteer Insurance	None
Arch	General Liability Pkg. Policy	None
Arch	General Liability Umbrella	None
Arch	Automobile	None

Settled claims have not exceeded this coverage in any of the past three years. The Park District pays the State Workers' Compensation system a premium based on a rate per \$100 of salary. This rate is calculated based on accident history and administrative costs. The Park District manages the hospital/medical, dental, and vision for its employees on a self-insured basis through the hospitalization self-insurance Internal Service Fund. Payments to the fund are made from the fund from which each employee is paid. Rates for 2005 were \$760 for family coverage and \$251 for single coverage. These rates were determined to maintain the balance in the Internal Service Fund to required levels. Medical Mutual of Ohio, the third party administrator, processes and pays the claims. An excess coverage insurance (stop-loss) policy purchased from Medical Mutual of Ohio covers claims in excess of \$70,000 per individual and total aggregate excess of 125% of expected claims.

The claims liability of \$77,100 in the fund at December 31, 2005 was enumerated by the third party administrator and is based on the requirements of the Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the fund's claims liability amount in 2004 and 2005 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2004	\$44,942	\$763,239	\$752,794	\$55,387
2005	\$55,387	\$509,792	\$488,079	\$77,100

NOTE 10. LITIGATION

The Park District has no known litigation pending.

NOTE 11. CHANGE IN ACCOUNTING PRINCIPLES

For the calendar year 2006, the Park District has implemented GASB Statement No. 40, "Deposit and Investment Risk Disclosures" and GASB Technical Bulletin No. 2004-2, "Recognition of Pension and Other Postemployment Benefit Expenditures/Expense and Liabilities by Cost-Sharing Employers."

GASB Statement No. 40 establishes disclosure requirements for investment credit risk, interest rate risk, deposit custodial risk and foreign currency risk.

GASB Technical Bulletin No. 2004-2 addresses the amount that should be recognized as expenditure/expense and as a liability each period by employers participating in a cost-sharing multiple-employer pension and other postemployment benefit (OPEB) plans.

The implementation of GASB Technical Bulletin No. 2004-2 did not materially affect the presentation of the financial statements of the Park District.

NOTE 12. SUBSEQUENT EVENTS

On June 1, 2006, Lake Metroparks' Board of Park Commissioners issued a \$5,000,000 eight-year 4.10% tax anticipation bonds. The funds will be used for land acquisition and land improvements.

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**Required
Supplementary
Information**

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non-GAAP) Budgetary Basis
General Fund
For the Year Ended December 31, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Property Tax	\$7,950,000	\$7,900,000	\$8,321,742	\$421,742
Intergovernmental	2,055,600	2,328,000	2,080,112	(247,888)
Fees and Admissions	1,174,300	1,174,300	1,097,849	(76,451)
Merchandise Sales	436,800	436,800	401,911	(34,889)
Interest	29,000	29,000	61,126	32,126
Fines and Forfeitures	4,500	4,500	2,230	(2,270)
Contribution	98,500	98,500	105,189	6,689
Miscellaneous	28,900	28,900	34,432	5,532
<i>Total Revenues</i>	<u>11,777,600</u>	<u>12,000,000</u>	<u>12,104,591</u>	<u>104,591</u>
Expenditures				
Salaries	6,423,876	6,424,926	6,297,539	127,387
OPERS	888,905	890,030	863,411	26,619
Medicare	93,519	93,644	86,256	7,388
Workers' Compensation	74,435	74,435	71,913	2,522
Unemployment Compensation	8,000	8,200	945	7,255
Medical Insurance	893,032	893,482	868,317	25,165
Professional Memberships	20,862	21,762	18,299	3,463
Training and Education	15,088	15,088	10,065	5,023
Travel	62,614	62,464	44,162	18,302
Mileage	7,875	8,875	7,610	1,265
Supplies	1,058,351	1,050,651	961,466	89,185
Contract Services	1,500,464	1,531,964	1,378,522	153,442
Contract Repairs	161,950	159,250	139,928	19,322
Advertising	129,420	135,520	122,125	13,395
Rentals	40,351	39,901	24,969	14,932
Insurance	175,000	175,000	142,264	32,736
Materials	103,967	93,417	71,751	21,666
Capital Equipment	78,425	90,425	76,518	13,907
Land Acquisition	23,500	24,500	23,356	1,144
<i>Total Expenditures</i>	<u>11,759,634</u>	<u>11,793,534</u>	<u>11,209,416</u>	<u>584,118</u>

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Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non-GAAP) Budgetary Basis
General Fund
For the Year Ended December 31, 2005 (continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	17,966	206,466	895,175	688,709
Other Financing Sources (Uses)				
Transfers Out	(120,000)	(420,000)	(420,000)	--
<i>Total Other Financing Sources (Uses)</i>	(120,000)	(420,000)	(420,000)	--
<i>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other (Uses)</i>	(102,034)	(213,534)	\$475,175	\$688,709
<i>Fund Balance Budget Basis - Beginning of the Year</i>	451,644	451,644	451,644	--
Prior Year Encumbrances	110,701	110,701	110,701	--
<i>Fund Balance Budget Basis - End of the Year</i>	<u>\$460,311</u>	<u>\$348,811</u>	<u>\$1,037,520</u>	<u>\$688,709</u>

**Notes to Required Supplementary Information
for the Year Ended December 31, 2005
Lake Metroparks, Ohio**

NOTE 1.

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

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

Listed below is a reconciliation of the results of operations for the year ended December 31, 2005 from the modified accrual basis to the budgetary basis.

	General Fund
Net Change in Funds as Reported - Modified Accrual Basis	\$459,268
Decrease (Increase) in Accounts Receivable, Interest Receivable, Due From Other Governments, and Prepaid Items	(384,559)
Increase (Decrease) in Accounts Payable, Due to Other Governments, Accrued Liabilities, Accrued Wages, and Deferred Revenue Net of Taxes Receivable	447,466
2005 Encumbrances Recognized as Expenditures on a Budgetary Basis	(218,834)
2004 Encumbrances Paid in 2005 Not Recognized Budgetary Basis	171,834
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other (Uses) as Reported - Budgetary Basis	\$475,175

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**Other
Budgetary
Schedules**

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Property Tax	\$7,950,000	\$7,900,000	\$8,321,742	\$421,742
Intergovernmental	2,055,600	2,328,000	2,080,112	(247,888)
Fees and Admissions	1,174,300	1,174,300	1,097,849	(76,451)
Merchandise Sales	436,800	436,800	401,911	(34,889)
Interest	29,000	29,000	61,126	32,126
Fines and Forfeitures	4,500	4,500	2,230	(2,270)
Contribution	98,500	98,500	105,189	6,689
Miscellaneous	28,900	28,900	34,432	5,532
<i>Total Revenues</i>	<u>11,777,600</u>	<u>12,000,000</u>	<u>12,104,591</u>	<u>104,591</u>
Expenditures				
Executive Division				
Salaries	222,989	222,989	218,065	4,924
OPERS	30,215	30,215	29,548	667
Medicare	3,233	3,233	3,171	62
Workers' Compensation	2,566	2,566	2,479	87
Medical Insurance	27,000	27,000	27,000	--
Professional Memberships	5,000	5,400	5,248	152
Travel	1,500	1,600	1,438	162
Mileage	250	400	369	31
Supplies	2,700	2,500	2,114	386
Contract Services	30,300	34,850	34,131	719
Advertising	500	500	301	199
<i>Total Executive Division</i>	<u>326,253</u>	<u>331,253</u>	<u>323,864</u>	<u>7,389</u>

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Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2005 (continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Support Services Division				
Salaries	756,312	756,312	738,466	17,846
OPERS	102,481	102,481	99,072	3,409
Medicare	10,967	10,967	9,505	1,462
Workers' Compensation	8,871	8,871	8,571	300
Unemployment Compensation	8,000	8,000	516	7,484
Medical Insurance	146,650	146,650	140,698	5,952
Professional Memberships	150	150	140	10
Training and Education	500	500	11	489
Travel	650	650	401	249
Mileage	--	50	7	43
Supplies	256,750	254,750	253,163	1,587
Contract Services	184,850	184,850	165,213	19,637
Contract Repairs	86,700	86,700	79,798	6,902
Rentals	17,000	17,000	11,136	5,864
Materials	24,450	24,400	23,875	525
Capital Equipment	15,200	17,200	17,100	100
Total Support Services Division	1,619,531	1,619,531	1,547,672	71,859
Finance Division				
Salaries	717,432	718,432	715,538	2,894
OPERS	95,352	96,452	95,784	668
Medicare	10,404	10,504	10,376	128
Workers' Compensation	8,560	8,560	8,270	290
Medical Insurance	105,884	106,134	106,094	40
Professional Memberships	3,100	3,100	2,732	368
Training and Education	4,250	4,250	3,814	436
Travel	18,260	18,260	12,705	5,555
Mileage	900	900	713	187
Supplies	77,800	77,800	63,517	14,283
Contract Services	422,779	446,229	356,873	89,356
Contract Repairs	6,000	9,000	6,939	2,061
Advertising	18,570	18,570	12,567	6,003
Rentals	900	900	745	155
Insurance	175,000	175,000	142,264	32,736
Materials	100	100	--	100
Capital Equipment	1,950	1,950	230	1,720
Land Acquisition	20,000	20,000	19,126	874
Total Finance Division	1,687,241	1,716,141	1,558,287	157,854

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Marketing Division				
Salaries	435,515	435,515	430,544	4,971
OPERS	59,014	59,014	58,338	676
Medicare	6,317	6,317	6,243	74
Workers' Compensation	4,612	4,612	4,452	160
Medical Insurance	68,900	68,900	68,900	--
Professional Memberships	4,082	4,082	3,434	648
Training and Education	488	488	--	488
Travel	10,921	10,571	9,104	1,467
Mileage	3,450	3,750	3,568	182
Supplies	15,565	15,765	15,138	627
Contract Services	172,860	172,360	163,546	8,814
Contract Repairs	200	500	434	66
Advertising	37,950	37,950	34,912	3,038
Rental	490	540	--	540
Capital Equipment	475	475	365	110
Total Marketing Division	820,839	820,839	798,978	21,861
Environmental Learning Division				
Salaries	56,725	56,775	56,725	50
OPERS	7,686	7,711	7,686	25
Medicare	822	847	823	24
Workers' Compensation	484	484	467	17
Medical Insurance	9,000	9,000	9,000	--
Professional Memberships	600	400	298	102
Travel	500	600	594	6
Supplies	460	460	359	101
Contract Services	9,950	9,950	8,705	1,245
Total Environmental Learning Division	86,227	86,227	84,657	1,570

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Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2005 (continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Resource, Interpretation, and Protection Division				
Salaries	2,305,887	2,305,887	2,242,728	63,159
OPERS	332,079	332,079	317,233	14,846
Medicare	33,727	33,727	30,163	3,564
Workers' Compensation	27,016	27,016	26,102	914
Unemployment Compensation	--	200	160	40
Medical Insurance	281,500	281,500	271,443	10,057
Professional Memberships	7,260	7,260	5,166	2,094
Training and Education	7,500	7,500	6,041	1,459
Travel	20,325	20,325	13,712	6,613
Mileage	2,275	2,275	1,602	673
Supplies	188,550	184,550	159,466	25,084
Contract Services	284,626	284,626	276,559	8,067
Contract Repairs	21,750	18,250	12,980	5,270
Advertising	9,650	15,750	14,440	1,310
Rentals	2,500	2,500	975	1,525
Materials	53,950	45,150	39,824	5,326
Capital Equipment	22,500	31,500	31,176	324
Land	3,500	4,500	4,230	270
Total Resource, Interpretation, and Protection Division	3,604,595	3,604,595	3,454,000	150,595
Recreation Division				
Salaries	571,283	571,283	564,329	6,954
OPERS	78,102	78,102	76,480	1,622
Medicare	8,358	8,358	6,675	1,683
Workers' Compensation	6,650	6,650	6,424	226
Unemployment Compensation	--	--	269	(269)
Medical Insurance	65,398	65,598	65,536	62
Professional Memberships	200	300	260	40
Training and Education	100	100	--	100
Travel	5,626	5,626	3,448	2,178
Mileage	800	1,200	1,140	60
Supplies	175,131	173,431	157,869	15,562
Contract Services	104,744	109,244	105,600	3,644
Contract Repairs	12,900	9,900	8,067	1,833
Advertising	3,650	3,650	1,720	1,930
Rentals	7,550	6,050	4,447	1,603
Capital Equipment	23,300	24,300	24,117	183
Total Recreation Division	1,063,792	1,063,792	1,026,381	37,411

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non GAAP) Budgetary Basis by Division
General Fund
For the Year Ended December 31, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Farmpark Division				
Salaries	1,357,733	1,357,733	1,331,144	26,589
OPERS	183,976	183,976	179,271	4,705
Medicare	19,691	19,691	19,302	389
Workers' Compensation	15,676	15,676	15,147	529
Medical Insurance	188,700	188,700	179,646	9,054
Professional Memberships	470	1,070	1,020	50
Training and Education	2,250	2,250	199	2,051
Travel	4,832	4,832	2,759	2,073
Mileage	200	300	211	89
Supplies	341,395	341,395	309,842	31,553
Contract Services	290,355	289,855	267,896	21,959
Contract Repairs	34,400	34,900	31,709	3,191
Advertising	59,100	59,100	58,185	915
Rentals	11,911	12,911	7,664	5,247
Materials	25,467	23,767	8,053	15,714
Capital Equipment	15,000	15,000	3,529	11,471
Total Farmpark Division	2,551,156	2,551,156	2,415,577	135,579
<i>Total General Fund Expenditures</i>	<u>11,759,634</u>	<u>11,793,534</u>	<u>11,209,416</u>	<u>584,118</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	17,966	206,466	895,175	688,709
Other Financing Sources (Uses)				
Transfer Out	<u>(120,000)</u>	<u>(420,000)</u>	<u>(420,000)</u>	<u>--</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(120,000)</u>	<u>(420,000)</u>	<u>(420,000)</u>	<u>--</u>
<i>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other (Uses)</i>	(102,034)	(213,534)	475,175	688,709
<i>Fund Balance Budget Basis - Beginning of the Year</i>	451,644	451,644	451,644	--
Prior Year Encumbrances	<u>110,701</u>	<u>110,701</u>	<u>110,701</u>	<u>--</u>
<i>Fund Balance Budget Basis - End of the Year</i>	<u>\$460,311</u>	<u>\$348,811</u>	<u>\$1,037,520</u>	<u>\$688,709</u>

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non-GAAP) Budgetary Basis
Capital Improvement Fund
For the Year Ended December 31,2005

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Interest	\$--	\$1,500	\$1,678	\$178
<i>Total Revenues</i>	<u>--</u>	<u>1,500</u>	<u>1,678</u>	<u>178</u>
Expenditures				
Land Acquisition	28,648	28,648	4,250	24,398
<i>Total Expenditures</i>	<u>28,648</u>	<u>28,648</u>	<u>4,250</u>	<u>24,398</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	(28,648)	(27,148)	(2,572)	24,576
<i>Fund Balance Budget Basis - Beginning of the Year</i>	28,648	28,648	28,648	--
Prior Year Encumbrances	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<i>Fund Balance Budget Basis - End of the Year</i>	<u><u>\$--</u></u>	<u><u>\$1,500</u></u>	<u><u>\$26,076</u></u>	<u><u>\$24,576</u></u>

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non-GAAP) Budgetary Basis
Improvement Fund
For the Year Ended December 31, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Intergovernmental	\$2,451,396	\$2,451,396	\$543,449	(\$1,907,947)
Fees and Admission	--	--	4,302	4,302
Interest	--	--	1,914	1,914
Contributions	--	--	14,410	14,410
Miscellaneous	30,000	30,000	1,500	(28,500)
<i>Total Revenues</i>	<u>2,481,396</u>	<u>2,481,396</u>	<u>565,575</u>	<u>(1,915,821)</u>
Expenditures				
Construction	1,110,696	990,696	326,198	664,498
Capital Equipment	--	120,000	110,050	9,950
Land Acquisition	1,488,000	1,488,000	676,787	811,213
<i>Total Expenditures</i>	<u>2,598,696</u>	<u>2,598,696</u>	<u>1,113,035</u>	<u>1,485,661</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	(117,300)	(117,300)	(547,460)	(430,160)
Other Financing Sources (Uses)				
Transfers In	120,000	120,000	420,000	300,000
<i>Total Other Financing Sources (Uses)</i>	<u>120,000</u>	<u>120,000</u>	<u>420,000</u>	<u>300,000</u>
<i>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other (Uses)</i>	2,700	2,700	(127,460)	(130,160)
<i>Fund Balance Budget Basis - Beginning of the Year</i>	19,529	19,529	19,529	--
Prior Year Encumbrances	--	--	--	--
<i>Fund Balance Budget Basis - End of the Year</i>	<u>\$22,229</u>	<u>\$22,229</u>	<u>(\$107,931)</u>	<u>(\$130,160)</u>

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non-GAAP) Budgetary Basis
Debt Service Fund
For the Year Ended December 31, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Property Tax	\$271,000	\$271,000	\$271,000	\$--
<i>Total Revenues</i>	<u>271,000</u>	<u>271,000</u>	<u>271,000</u>	<u>--</u>
Expenditures				
Principal	200,000	200,000	200,000	--
Interest	71,100	71,100	71,100	--
<i>Total Expenditures</i>	<u>271,100</u>	<u>271,100</u>	<u>271,100</u>	<u>--</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	(100)	(100)	(100)	--
<i>Fund Balance Budget Basis - Beginning of the Year</i>	<u>265</u>	<u>265</u>	<u>265</u>	<u>--</u>
<i>Fund Balance Budget Basis - End of the Year</i>	<u>\$165</u>	<u>\$165</u>	<u>\$165</u>	<u>\$--</u>

Lake Metroparks
Detailed Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance
Budget and Actual (Non-GAAP) Budgetary Basis
Drug Enforcement Fund
For the Year Ended December 31, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Interest	\$100	\$100	\$151	\$51
Fines and Forfeitures	1,600	1,400	900	(500)
<i>Total Revenues</i>	<u>1,700</u>	<u>1,500</u>	<u>1,051</u>	<u>(449)</u>
Expenditures				
Capital Equipment	3,500	3,500	--	3,500
<i>Total Expenditures</i>	<u>3,500</u>	<u>3,500</u>	<u>--</u>	<u>3,500</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	(1,800)	(2,000)	1,051	3,051
<i>Fund Balance Budget Basis - Beginning of the Year</i>	2,129	2,129	2,129	--
Prior Year Encumbrances	<u>550</u>	<u>550</u>	<u>550</u>	<u>--</u>
<i>Fund Balance Budget Basis - End of the Year</i>	<u>\$879</u>	<u>\$679</u>	<u>\$3,730</u>	<u>\$3,051</u>

Lake Metroparks
Schedule of Revenues, Expenses and Changes in Fund Equity
Budget and Actual (Non-GAAP) Budgetary Basis
Enterprise Fund
For the Year Ended December 31, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Fees and Admissions	\$1,219,750	\$1,219,750	\$1,179,560	(\$40,190)
Merchandise Sales	300,600	300,600	287,593	(13,007)
Interest	4,900	4,900	10,083	5,183
Contributions	5,000	5,000	3,100	(1,900)
Miscellaneous Revenue	11,000	11,000	3,292	(7,708)
<i>Total Revenues</i>	<u>1,541,250</u>	<u>1,541,250</u>	<u>1,483,628</u>	<u>(57,622)</u>
Expenses				
Salaries	645,454	645,454	614,349	31,105
OPERS	87,334	87,334	83,236	4,098
Medicare	9,345	9,345	8,527	818
Workers' Compensation	7,561	7,561	7,304	257
Unemployment Compensation	1,500	1,500	--	1,500
Medical Insurance	64,636	65,636	65,456	180
Professional Memberships	2,365	2,365	1,924	441
Training and Education	400	400	100	300
Travel	2,980	2,980	2,083	897
Mileage	400	400	228	172
Supplies	339,115	339,115	322,352	16,763
Contracts, Construction	57,550	57,550	31,944	25,606
Contract Services	124,450	124,450	106,168	18,282
Contract Repairs	34,250	34,250	33,164	1,086
Advertising	4,250	4,250	3,360	890
Rentals	135,150	135,150	129,658	5,492
Insurance	42,450	41,450	34,096	7,354
Materials	9,000	8,290	1,437	6,853
Capital Equipment	61,050	61,050	22,132	38,918
Land Acquisition	--	710	706	4
<i>Total Expenses</i>	<u>1,629,240</u>	<u>1,629,240</u>	<u>1,468,224</u>	<u>161,016</u>
<i>Excess (Deficiency) of Revenues Over Expenses</i>	(87,990)	(87,990)	15,404	103,394
<i>Fund Equity Budget Basis - Beginning of the Year</i>	196,690	196,690	196,690	--
Prior Year Encumbrances	<u>24,257</u>	<u>24,257</u>	<u>24,257</u>	<u>--</u>
<i>Fund Equity Budget Basis - End of the Year</i>	<u><u>\$132,957</u></u>	<u><u>\$132,957</u></u>	<u><u>\$236,351</u></u>	<u><u>\$103,394</u></u>

Lake Metroparks
 Schedule of Revenues, Expenses and Changes in Fund Equity
 Budget and Actual (Non-GAAP) Budgetary Basis
 Internal Service Fund
 For the Year Ended December 31, 2005

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Fees and Admissions	\$950,000	\$950,000	\$941,456	(\$8,544)
Interest	--	--	4,114	4,114
<i>Total Revenues</i>	<u>950,000</u>	<u>950,000</u>	<u>945,570</u>	<u>(4,430)</u>
Expenses				
Contract Services	950,000	950,000	674,363	275,637
<i>Total Expenses</i>	<u>950,000</u>	<u>950,000</u>	<u>674,363</u>	<u>275,637</u>
<i>Excess (Deficiency) of Revenues Over Expenses</i>	--	--	271,207	271,207
<i>Fund Equity Budget Basis - Beginning of the Year</i>	<u>116,628</u>	<u>116,628</u>	<u>116,628</u>	--
<i>Fund Equity Budget Basis - End of the Year</i>	<u><u>\$116,628</u></u>	<u><u>\$116,628</u></u>	<u><u>\$387,835</u></u>	<u><u>\$271,207</u></u>

Lake Metroparks
Combining Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended December 31, 2005

	Balance December 31, 2004	Additions	Deductions	Balance December 31, 2005
Payroll Agency				
Assets				
Restricted Cash and Cash Equivalents	<u>\$115,494</u>	<u>\$4,107,173</u>	<u>\$4,222,567</u>	<u>\$100</u>
Liabilities				
Due to Other Governments	\$115,494	\$100	\$115,494	\$100
Due to Others	<u>--</u>	<u>4,107,073</u>	<u>4,107,073</u>	<u>--</u>
Total Liabilities	<u>\$115,494</u>	<u>\$4,107,173</u>	<u>\$4,222,567</u>	<u>\$100</u>
Contractors' Escrow Accounts				
Assets				
Restricted Cash and Cash Equivalents	<u>\$28,831</u>	<u>\$3,260</u>	<u>\$20,951</u>	<u>\$11,140</u>
Liabilities				
Retainage Due Contractors	<u>\$28,831</u>	<u>\$3,260</u>	<u>\$20,951</u>	<u>\$11,140</u>
Outstanding Check Agency				
Assets				
Restricted Cash and Cash Equivalents	<u>\$5,813</u>	<u>\$780</u>	<u>\$151</u>	<u>\$6,442</u>
Liabilities				
Payable from Restricted Assets	<u>\$5,813</u>	<u>\$780</u>	<u>\$151</u>	<u>\$6,442</u>
Facility Deposit Agency				
Assets				
Restricted Cash and Cash Equivalents	<u>\$17,619</u>	<u>\$156,635</u>	<u>\$152,427</u>	<u>\$21,827</u>
Liabilities				
Payable from Restricted Assets	<u>\$17,619</u>	<u>\$156,635</u>	<u>\$152,427</u>	<u>\$21,827</u>

Lake Metroparks
Combining Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended December 31, 2005

	Balance December 31, 2004	Additions	Deductions	Balance December 31, 2005
Total Agency Funds				
Assets				
Restricted Cash and Cash Equivalents	\$167,757	\$4,267,848	\$4,396,096	\$39,509
Total Assets	<u>\$167,757</u>	<u>\$4,267,848</u>	<u>\$4,396,096</u>	<u>\$39,509</u>
Liabilities				
Payable from Restricted Assets	\$23,432	\$157,415	\$152,578	\$28,269
Due to Other Governments	115,494	100	115,494	100
Retainage Due Contractors	28,831	3,260	\$20,951	11,140
Due to Others	--	4,107,073	4,107,073	--
Total Liabilities	<u>\$167,757</u>	<u>\$4,267,848</u>	<u>\$4,396,096</u>	<u>\$39,509</u>

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Government-wide Expenses by Function

Lake Metroparks, Ohio

LAST SIX FISCAL YEARS

Fiscal Year	General Government	Interest on Long-term Debt	Golf	Total
2000	\$10,695,048	\$206,842	\$1,615,826	\$12,517,716
2001	12,096,036	204,443	1,610,344	13,910,823
2002	12,009,479	197,590	1,708,912	13,915,981
2003	11,927,691	196,217	1,629,629	13,753,537
2004	12,509,141	128,667	1,654,596	14,292,404
2005	12,205,566	71,100	1,739,870	14,016,536

Note: GASB 34 Conversion in 2000, hence only six years available.

Government-wide Revenues

Lake Metroparks, Ohio

LAST SIX FISCAL YEARS

Fiscal Year	Program Revenues			General Revenues				
	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Property Taxes	Local Government	Unrestricted Investment Earnings	Miscellaneous	Total
		Total	Total					
2000	\$3,010,301	\$83,636	\$44,582	\$8,685,720	\$1,151,423	\$418,024	\$198,796	\$13,592,482
2001	3,188,374	119,169	800,920	8,496,489	2,261,263	218,415	116,461	15,201,091
2002	3,170,919	119,322	38,580	7,906,759	2,885,433	73,978	59,806	14,254,797
2003	3,048,276	114,076	--	8,181,013	2,465,928	38,949	50,968	13,899,210
2004	2,983,794	113,274	355,099	8,280,418	2,040,021	43,406	67,783	13,883,795
2005	2,971,798	144,944	651,676	9,616,123	2,058,117	78,207	44,838	15,565,703

Note: GASB 34 Conversion in 2000, hence only six years available.

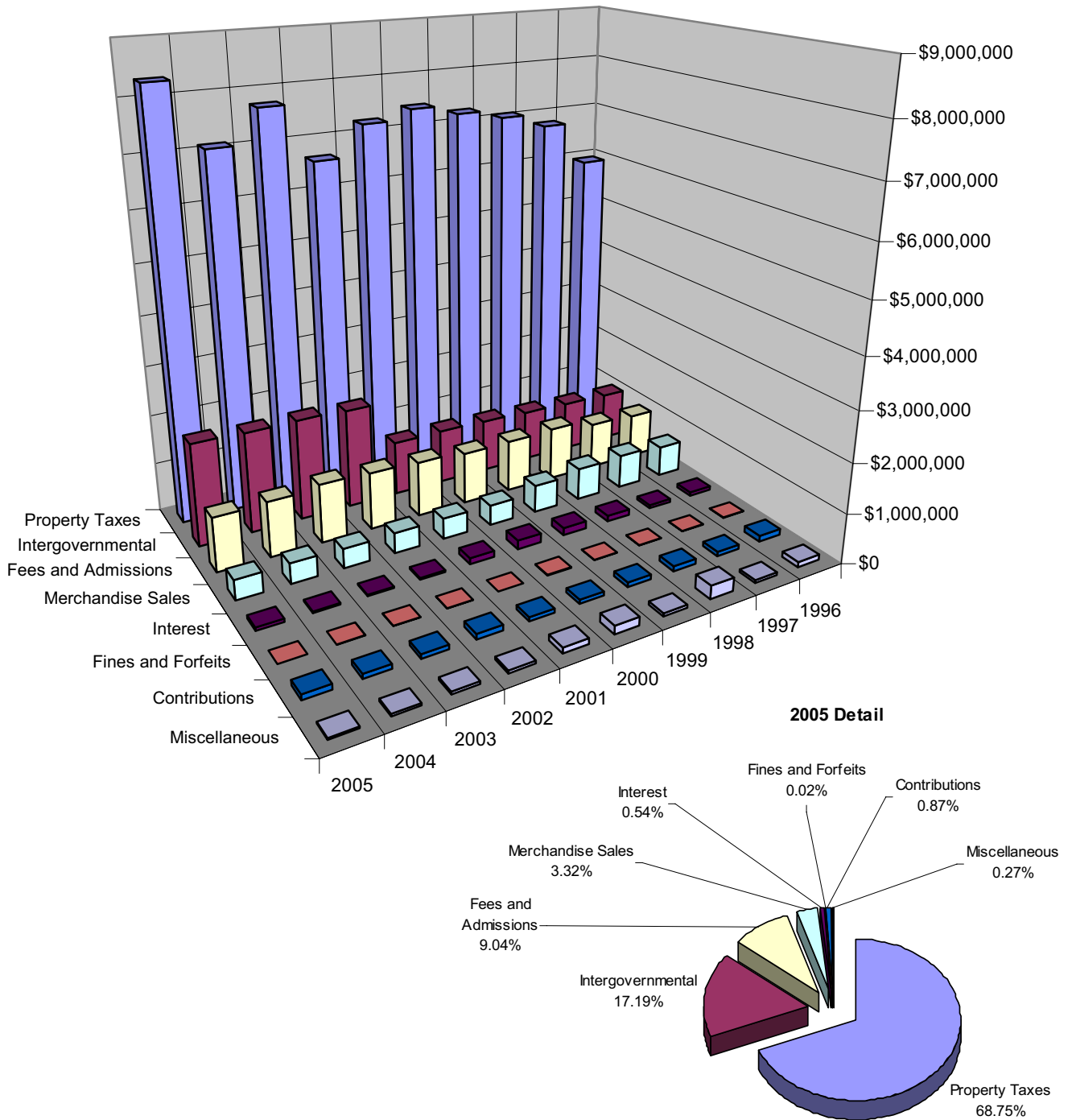
General Fund Revenues by Source and Expenditures by Function Lake Metroparks, Ohio

LAST TEN YEARS

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Revenue										
Property Taxes	\$5,928,207	\$6,789,208	\$7,059,926	\$7,229,557	\$7,415,697	\$7,228,489	\$6,640,359	\$7,723,081	\$7,088,618	\$8,321,742
Intergovernmental	999,150	1,025,013	1,053,832	1,088,784	1,114,761	1,102,263	2,022,540	2,058,739	2,049,430	2,080,112
Fees and Admissions	915,112	956,862	1,093,453	1,064,621	1,055,285	1,119,572	1,159,929	1,194,074	1,122,615	1,094,668
Merchandise Sales	624,764	688,265	658,178	561,120	413,561	423,115	411,855	394,070	410,947	401,545
Interest	72,098	67,200	118,383	146,961	180,578	122,224	35,818	23,622	31,133	65,414
Fines and Forfeits	6,382	6,215	6,495	6,141	13,900	4,255	4,200	5,951	4,190	2,230
Contributions	121,306	87,719	101,495	93,270	79,731	76,960	107,432	86,247	92,424	105,439
Miscellaneous	105,110	53,674	268,983	62,294	170,141	109,784	53,020	49,905	44,340	32,404
Total Revenues	\$8,772,129	\$9,674,156	\$10,360,745	\$10,252,748	\$10,443,654	\$10,186,662	\$10,435,153	\$11,535,689	\$10,843,697	\$12,103,554
Expenditures										
Current										
Parks & Recreation	\$8,190,439	\$8,682,775	\$9,297,296	\$9,220,762	\$9,427,868	\$9,974,485	\$10,649,696	\$10,784,297	\$11,093,070	\$11,139,888
Capital Outlay	11,150	8,663	42,278	34,555	58,726	77,927	103,754	95,107	131,703	84,398
Total Expenditures	\$8,201,589	\$8,691,438	\$9,339,574	\$9,255,317	\$9,486,594	\$10,052,412	\$10,753,450	\$10,879,404	\$11,224,773	\$11,224,286

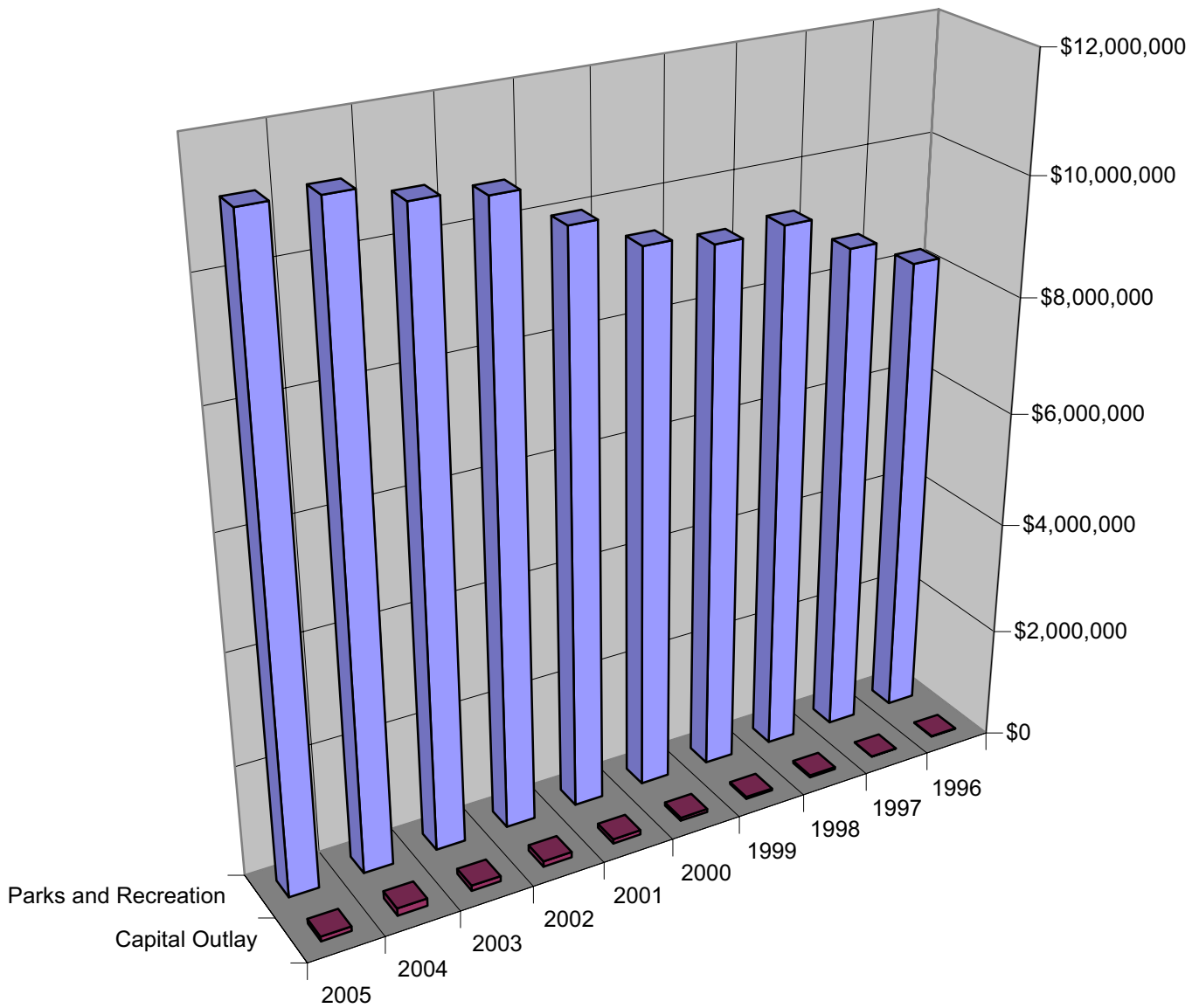
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General Fund Revenues by Source Lake Metroparks, Ohio



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General Fund Expenditures by Function Lake Metroparks, Ohio



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

LAST TEN FISCAL YEARS

Tax Year	Fiscal Year	Current Tax Levy	Current Tax Collection	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections
1995-1996	1996	\$8,422,668	\$7,913,055	93.9%	\$161,264	\$8,074,319
1996-1997	1997	8,518,094	8,041,081	94.4%	136,452	8,177,533
1997-1998	1998	8,513,140	8,079,132	94.9%	137,828	8,216,960
1998-1999	1999	8,685,188	8,204,166	94.5%	135,198	8,339,364
1999-2000	2000	8,698,596	8,239,733	94.7%	369,163	8,608,896
2000-2001	2001	8,714,516	8,266,186	94.9%	366,251	8,632,437
2001-2002	2002	8,230,488	7,588,805	92.2%	239,504	7,828,309
2002-2003	2003	8,209,248	7,761,657	94.5%	342,094	8,103,751
2003-2004	2004	8,322,668	7,925,380	95.2%	322,994	8,248,374
2004-2005	2005	8,464,692	8,154,568	96.3%	387,770	8,542,338

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

Source: Lake County Auditor's Office

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

LAST TEN FISCAL YEARS

	1996	1997	1998	1999	2000
COUNTY UNITS					
General Fund	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10
Mental Retardation Board	3.40	3.40	3.40	4.90	4.90
ADAMHS Board	1.60	1.60	1.60	1.60	4.60
Narcotics	.30	.30	.30	.30	.30
Child Welfare	.70	.70	.70	.70	.70
Regional Forensic Lab	.20	.20	.20	.20	.30
Senior Citizens	.20	.20	.30	.30	.30
TOTAL RATES	8.50	8.50	8.60	10.10	10.20
SCHOOL DISTRICTS					
Fairport Harbor (a)	76.50	76.30	77.10	77.10	76.47
Kirtland Local (a)	69.62	69.04	67.69	67.69	71.02
Madison Local (a)	58.64	58.47	58.42	58.42	58.78
Mentor Exempt	62.95	67.45	67.21	67.21	66.87
Painesville City (a)	74.84	74.59	73.58	72.68	78.68
Painesville Twp. (a)	53.42	55.10	54.53	54.53	54.01
Perry Local (a)	45.70	45.70	45.75	45.75	45.70
Wickliffe Local	53.39	60.14	60.01	60.01	59.92
Willoughby-Eastlake	47.41	47.62	46.71	46.71	46.43
CORPORATIONS					
Eastlake	10.42	10.42	10.42	10.42	10.80
Kirtland	10.20	11.05	11.05	11.05	11.05
Mentor	6.05	6.05	6.00	4.50	4.50
Mentor-on-the-Lake	19.50	24.00	24.00	24.00	24.00
Painesville	3.70	3.70	3.70	3.70	3.70
Wickliffe	9.05	9.05	8.60	7.40	7.40
Willoughby	6.55	6.55	6.29	7.19	7.19
Willoughby Hills	8.00	7.80	7.80	7.80	7.80
Willowick	20.97	20.97	19.94	19.94	19.94

2001	2002	2003	2004	2005
\$2.10	\$2.10	\$2.10	\$2.10	\$2.10
4.90	4.90	4.90	4.90	4.90
1.60	1.60	1.60	1.60	1.60
.30	.30	.30	.30	.30
.70	.70	.70	.70	.70
.30	.30	.30	.30	.30
<u>.30</u>	<u>.30</u>	<u>.30</u>	<u>.30</u>	<u>.30</u>
10.20	10.20	10.20	10.20	10.20
76.67	76.73	76.62	78.59	78.62
69.18	69.10	68.67	72.49	72.17
57.57	57.02	56.97	56.35	56.15
66.84	66.79	66.77	69.62	77.46
78.65	78.58	78.58	78.53	86.20
53.80	53.84	53.71	53.17	56.19
45.70	45.70	45.70	45.70	45.70
60.11	61.31	61.38	61.38	60.82
45.84	45.77	45.59	47.39	49.77
10.80	10.80	10.80	10.80	9.26
11.05	11.05	11.05	11.05	11.05
4.50	4.50	4.50	4.50	4.50
24.00	24.00	24.00	24.00	24.00
3.70	3.70	3.70	3.70	3.70
7.40	7.40	7.40	7.40	7.40
6.91	6.91	6.89	6.77	6.68
7.40	7.40	7.40	7.40	7.40
19.94	19.50	19.50	19.50	19.50

(Continued on next page)

Property Tax Rates (Continued)
 All Direct and Overlapping Governments
 (Per \$1,000 Of Assessed Value)
 Lake Metroparks, Ohio

LAST TEN FISCAL YEARS

	1996	1997	1998	1999	2000
VILLAGES					
Fairport Harbor	\$11.05	\$11.05	\$6.66	\$10.06	\$10.56
Grand River	3.00	3.00	3.00	7.50	7.50
Kirtland Hills	23.00	23.00	23.00	23.00	23.00
Lakeline	11.00	11.00	11.00	11.00	11.00
Madison (b)	13.23	13.23	13.23	13.23	9.43
North Perry (c)	7.20	7.20	7.20	8.20	8.20
Perry (c)	13.20	13.20	13.20	14.20	14.20
Timberlake	13.00	13.00	13.00	13.00	13.00
Waite Hill	13.00	13.00	13.00	13.00	13.00
TOWNSHIPS					
Concord	9.40	9.40	9.40	9.40	9.40
Leroy	14.95	14.95	10.95	10.95	10.95
Madison (b)	21.63	21.63	21.63	21.63	21.63
Painesville	10.70	10.70	10.70	10.70	10.70
Perry	6.60	6.60	6.60	7.60	8.20
LIBRARIES					
Mentor	.50	.50	.50	.625	.625
Morley	1.00	1.00	1.00	1.00	1.00
Perry	.60	.60	.60	.60	.60
Wickliffe	1.20	1.20	1.20	1.20	1.20
Willoughby-Eastlake	.30	.30	.30	.30	1.30
PORT AUTHORITY					
Fairport Harbor	.56	.56	.56	.56	.56

2001	2002	2003	2004	2005
\$10.49	\$9.56	\$9.56	\$9.56	\$9.56
7.50	7.50	7.50	7.50	7.50
23.00	23.00	23.00	20.00	20.00
11.00	11.00	11.00	6.00	6.00
9.43	9.43	9.43	9.43	9.43
8.20	8.20	11.10	11.10	11.10
14.20	14.20	14.10	14.10	14.10
13.00	13.00	13.00	13.00	21.20
13.00	13.00	13.00	13.00	13.00
9.40	9.40	9.40	9.40	9.40
11.00	11.00	11.90	11.90	11.90
21.63	21.63	21.63	21.63	21.63
10.70	10.70	10.70	10.15	12.65
7.60	7.60	11.10	11.10	11.10
.625	.625	.625	.625	.625
1.00	2.00	1.90	1.80	1.75
.60	.60	.60	.60	.60
1.20	1.20	1.20	1.20	1.20
1.30	1.30	1.30	1.30	1.30
.56	.56	.56	.56	.56

(Continued on next page)

Property Tax Rates (Continued)
All Direct and Overlapping Governments
(Per \$1,000 Of Assessed Value)
Lake Metroparks, Ohio

LAST TEN FISCAL YEARS

	1996	1997	1998	1999	2000
OTHER POLITICAL SUBDIVISIONS					
Lake Metroparks	\$2.30	\$2.30	\$2.30	\$2.30	\$2.30
Lakeland Community College	3.20	3.20	3.20	3.20	3.20
Auburn Joint Vocational School	1.50	1.50	1.50	1.50	1.50
Lake County School Financing District	4.90	4.90	4.90	4.90	4.90
Madison Fire District	6.48	6.48	6.48	6.48	6.48
Perry Fire District	3.00	3.00	3.00	4.00	4.00

(a) Includes millage for Auburn Joint Vocational School

(b) Includes millage for Madison Fire District

(c) Includes millage for Perry Library District and Perry Fire District

Source: Lake County Auditor's Office

2001	2002	2003	2004	2005
\$2.30	\$2.30	\$2.30	\$2.30	\$2.30
3.20	3.20	3.20	3.20	3.20
1.50	1.50	1.50	1.50	1.50
4.90	4.90	4.90	4.90	4.90
6.48	6.48	6.48	6.48	6.48
4.00	4.00	6.90	6.90	6.90

Computation of Legal Debt Margin

December 31, 2005

Lake Metroparks, Ohio

1. Tax valuation of all property subject to ad valorem taxation in the Lake Metroparks District as shown by the tax duplicate for the year 2004, the latest tax duplicate at the date hereof.	\$6,346,048,449
(a) Aggregate permitted principal amount of bonds issued in anticipation of the collection of a voted tax levy of a park district pursuant to Section 1545.21 O.R.C. (1 percent of tax valuation).	\$63,460,484
2. Total remaining principal of all outstanding bonds issued.	\$1,400,000
3. Available principal amount of bonds issued.	\$62,060,484

Source: Lake Metroparks Finance Division

Ratio of Net Bonded Debt to Assessed Value and Net Bonded Debt Per Capita Lake Metroparks, Ohio

LAST TEN FISCAL YEARS

Year	Population	Assessed Value	Gross Bonded Debt	Less Balance in Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1996	223,301	\$4,452,843,237	\$932,000	\$7,570	\$924,430	.02%	\$4.14
1997	223,715	4,580,363,121	5,000,000	187	4,999,813	.11%	22.35
1998	223,779	5,105,999,168	4,000,000	187	3,999,813	.08%	17.87
1999	227,145	5,242,255,852	3,300,000	187	3,299,813	.06%	14.53
2000	227,511	5,316,801,570	4,140,000	2,175	4,137,825	.08%	18.19
2001	227,511	5,684,393,889	3,080,000	59	3,079,941	.05%	13.54
2002	227,511	5,458,356,425	4,020,000	2,973	4,017,027	.07%	17.66
2003	228,106	5,569,264,708	3,760,000	1,102,981	2,657,019	.05%	11.62
2004	228,878	6,252,395,015	1,600,000	265	1,599,735	.03%	6.99
2005	230,510	6,346,048,449	1,400,000	165	1,399,835	.02%	6.07

Sources: U.S. Census Bureau
Ohio Department of Development

Computation of Direct and Overlapping Debt

December 31, 2005

Lake Metroparks, Ohio

	Net General Obligation Bonded Debt Outstanding (1)	Percent Applicable to County (2)	County Share
<u>Direct Debt</u>			
County of Lake	\$27,050,000	100.00%	<u>\$27,050,000</u>
Total Direct Debt			<u>\$27,050,000</u>
<u>Overlapping Debt</u>			
All Cities wholly within Lake County	86,088,905	100.00%	86,088,905
All Villages wholly within Lake County	1,294,400	100.00%	1,294,400
All Townships wholly within Lake County	1,608,437	100.00%	1,608,437
All School Districts wholly within Lake County	38,504,925	100.00%	38,504,926
All Library Districts wholly within Lake County	9,940,000	100.00%	9,940,000
Kirtland Local School District	810,000	99.30%	804,330
Madison Local School District	7,656,387	99.70%	7,633,418
Mentor Exempted Village School District	17,393,315	99.77%	17,353,310
Painesville Township Local School District	6,942,657	99.56%	<u>6,912,109</u>
Total Overlapping Debt			<u>\$170,139,835</u>
Total Net Direct and Overlapping Debt			<u>\$197,189,835</u>

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

Source: Lake County Auditor's Office

Lake County, Ohio

Demographic Statistics

DECEMBER 31, 2005

POPULATION	LAKE COUNTY	OHIO
Population, July 1, 2005 Estimate	230,510	11,501,180
Population, 2000 Census	227,511	11,353,140
Population, percent change, 1990 to 2000	5.6%	4.7%
Persons under 5 years old, percent, 2000	6.1%	6.6%
Persons under 18 years old, percent, 2000	24.2%	25.4%
Persons 65 years old and over, percent, 2000	14.1%	13.3%
White persons, percent, 2000 (a)	95.4%	85.0%
Black or African American persons, percent, 2000 (a)	2.0%	11.5%
American Indian and Alaska Native persons, percent 2000 (a)	0.1%	0.2%
Asian persons, percent, 2000 (a)	0.9%	1.2%
Persons reporting some other race, percent, 2000 (a)	0.7%	0.8%
Persons reporting two or more races, percent, 2000	0.9%	1.4%
Female persons, percent, 2000	51.4%	51.4%
Persons of Hispanic or Latino origin, percent, 2000 (b)	1.7%	1.9%
White persons, not of Hispanic/Latino origin, percent, 2000	94.4%	84.0%
Housing units, 2000	93,487	4,783,051
Homeownership rate, 2000	77.5%	69.1%
Households, 2000	89,700	4,445, 773
Persons per household, 2000	2.50	2.49
Households with persons under 18, percent, 2000	33.2%	34.5%

(a) Includes persons reporting only one race

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

Source: U.S. Census Bureau – 2000 Census

(Continued on next page)

Lake County, Ohio

Demographic Statistics (Continued)

DECEMBER 31, 2005

LAKE COUNTY'S 10 LARGEST EMPLOYERS

<u>Employer</u>	<u>Nature of Business</u>	<u>Number Employed</u>
Lake County Government (a)	County Government	2,218
Lake Hospital System, Inc.	Health Care	1,750
Lubrizol Corporation	Chemical Additives	1,261
Avery International	Pressure-sensitive Products	1,259
First Energy Corporation	Electric Utility	1,256
Cleveland Clinic	Health Care	1,022
Mentor Exempted Village Schools	School District	1,008
Willoughby-Eastlake City Schools	School District	927
Steris Corporation	Infection and Contamination Prevention Systems	845
Giant Eagle, Inc.	Grocery Store Chain	649

(a) Includes Lake County Board of MR/DD

Source: Crain's Cleveland Business – March 20, 2006 (Full-time equivalent employees)

UNEMPLOYMENT RATES

(LAST TEN YEARS)

<u>Year</u>	<u>Lake County</u>	<u>State of Ohio</u>	<u>United States</u>
2005	5.2%	5.9%	4.9%
2004	5.7%	5.5%	5.5%
2003	6.3%	6.0%	5.7%
2002	5.4%	5.0%	5.7%
2001	5.0%	4.8%	5.8%
2000	3.6%	3.9%	4.0%
1999	3.8%	4.1%	4.1%
1998	3.7%	4.0%	3.8%
1997	4.0%	4.3%	4.4%
1996	4.4%	4.8%	5.0%

Source: Ohio Department of Job and Family Services

Assessed and Estimated Actual Value of Taxable Property Lake Metroparks, Ohio

LAST TEN FISCAL YEARS
(Amounts in 000's)

Fiscal Year	<u>REAL PROPERTY</u>		<u>PUBLIC UTILITY PROPERTY</u>		<u>PERSONAL PROPERTY</u>		<u>TOTAL</u>		<u>RATIO</u>
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value	
1996	\$3,178,667	\$9,081,906	\$781,362	\$781,362	\$492,814	\$1,971,256	\$4,452,843	\$11,834,524	38%
1997	3,255,319	9,300,911	770,713	770,713	554,331	2,217,324	4,580,363	12,288,948	37%
1998	3,750,452	10,715,577	767,735	767,735	587,812	2,351,248	5,105,999	13,834,560	37%
1999	3,838,587	10,967,391	767,974	767,974	635,695	2,542,781	5,242,256	14,278,146	37%
2000	3,919,470	11,198,486	673,328	673,328	629,532	2,518,127	5,222,330	14,389,941	36%
2001	4,405,080	12,585,944	655,943	655,943	623,371	2,493,482	5,684,394	15,735,369	36%
2002	4,492,816	12,836,618	354,137	354,137	611,403	2,445,612	5,458,358	15,636,367	35.0%
2003	4,588,079	13,108,796	416,686	416,686	564,500	2,257,999	5,569,265	15,783,481	35%
2004	5,376,660	15,361,888	385,590	385,590	490,145	1,960,580	6,252,395	17,708,058	35%
2005	5,464,031	15,611,518	403,485	403,485	478,532	1,914,128	6,346,048	17,929,131	35%

- (1) Estimated Actual Value is calculated by dividing the Assessed Value by the assessment percentage. The percentages for 2005 are 35% for all Real Property, 100% for Public Utility Property, and 25% for Tangible Personal Property.

Source: Lake County Auditor's Office

Lake County

Annual Average Civilian Labor Force Estimates

Lake Metroparks, Ohio

LAST TEN FISCAL YEARS (1)

Year	Labor Force (2)	Employment	Unemployment	Unemployment Rate (3)
1996	122,200	116,800	5,400	4.4%
1997	125,300	120,300	5,000	4.0%
1998	125,600	120,900	4,600	3.7%
1999	127,300	122,500	4,800	3.8%
2000	126,900	122,300	4,600	3.6%
2001	127,500	122,100	5,400	4.2%
2002	125,400	118,600	6,800	5.4%
2003	125,400	118,500	6,900	5.5%
2004	125,000	117,800	7,200	5.7%
2005	125,100	118,600	6,500	5.2%

(1) These estimates, prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor, are by place of residence and revised to 2002 benchmarks.

(2) Employment and unemployment may not add exactly to labor force, due to rounding.

(3) Rate derived from unrounded estimates.

Source: Labor Market Information Division
Ohio Bureau of Employment Services

Construction, Bank Deposits and Property Values Lake Metroparks

LAST TEN FISCAL YEARS

Assessed Tax Year	New Construction (1)			Bank Deposits at December 31	Real Property Value(2)		
	Agricultural/ Residential	Commercial/ Industrial	Total New Construction		Agricultural/ Residential	Commercial/ Industrial	Tax Exempt
1996	\$130,056,143	\$115,874,628	\$245,930,771	\$27,068,211	\$2,349,342,560	\$829,323,980	\$312,995,400
1997	121,729,914	115,856,571	237,586,485	53,941,971	2,400,031,220	855,288,170	316,998,780
1998	110,614,600	69,072,229	179,686,829	58,904,596	2,862,142,010	888,309,870	347,392,840
1999	125,998,315	89,641,143	215,639,458	57,816,942	2,914,634,560	923,952,420	354,398,130
2000	140,918,229	54,695,714	195,613,943	61,942,764	2,973,944,680	945,525,370	374,056,000
2001	166,816,058	116,993,143	283,809,201	63,893,769	3,370,167,850	1,034,912,510	392,140,790
2002	142,748,914	96,372,486	239,121,400	95,760,917	3,414,371,440	1,078,445,000	389,906,960
2003	136,365,029	78,170,086	214,535,115	97,238,973	3,474,319,160	1,113,759,380	403,062,480
2004	176,730,515	63,171,744	239,902,259	101,837,959	4,184,511,700	1,192,148,840	496,974,490
2005	203,190,257	50,072,028	253,262,285	109,071,512	4,264,555,360	1,199,475,990	473,131,990

- (1) Represents assessed value to the extent construction was completed at the tax lien date.
 (2) Does not include land and mineral rights.

Sources: Lake County Auditor's Office
 Federal Reserve Bank of Cleveland

Synopsis of Insurance
 Lake Metroparks, Ohio
 DECEMBER 31, 2005

Type of Insurance	Carrier	Limits	Deductible Co-Insurance	Expiration Date	Policy Number	Premium
Property	Arch Insurance	\$25,551,642	\$1,000	11/1/06	KMPKG0092300	\$156,700
Animal Mortality	Arch Insurance	\$36,000	\$1,000	11/1/06	KMPKG0092300	Included
Business Income	Arch Insurance	\$1,000,000	\$1,000	11/1/06	KMPKG0092300	Included
Extra Expense	Arch Insurance	\$1,000,000	\$1,000	11/1/06	KMPKG0092300	Included
Earthquake	Arch Insurance	\$1,000,000	\$25,000	11/1/06	KMPKG0092300	Included
Employee Benefit Liability	Arch Insurance	\$1,000,000/ \$3,000,000	\$1,000	11/1/06	KMPKG0092300	Included
General Liability	Arch Insurance	\$1,000,000/ \$3,000,000	\$0	11/1/06	KMPKG0092300	Included
Ranger Liability	Arch Insurance	\$1,000,000/ \$1,000,000	\$5,000	11/1/06	KMPKG0092300	Included
Public Official Liability	Arch Insurance	\$1,000,000/ \$1,000,000	\$5,000	11/1/06	KMPKG0092300	Included
Automobile Liability	Arch Insurance	\$1,000,000	\$0	11/1/06	KMPKG0092300	Included

Synopsis of Insurance (continued)

Lake Metroparks, Ohio

DECEMBER 31, 2005

Type of Insurance	Carrier	Limits	Deductible Co-Insurance	Expiration Date	Policy Number	Premium Included
Inland Marine	Arch Insurance	\$2,270,000	\$500	11/1/06	KMPKG0092300	Included
EDP	Arch Insurance	\$520,000	\$500	11/1/06	KMPKG0092300	Included
Crime Coverage	Arch Insurance	\$25,000 On Premises \$25,000 Off Premises \$100,000 Employee Dishonesty	\$250 \$250	11/1/06	KMPKG0092300	Included
Umbrella*	Arch Insurance	\$10,000,000/ \$10,000,000	\$10,000 retention	11/1/06	KMPKG0092300	Included
Liquor Liability	Lexington Ins.	\$1,000,000/ \$1,000,000	\$1,000	11/1/06	4685662	\$2,507
Excess Liquor Liability	General Star Indemnity Co.	\$4,000,000/ \$4,000,000	\$0	11/1/06	IXG399288	\$8,000
Boiler & Machinery	Travelers/St. Paul	\$5,000,000	\$2,500	11/1/06	BAJ-BM21-1037C47A	\$4,130
Volunteer Accident	AIG Insurance	\$250,000	\$0	11/1/06	SRG9100271	\$4,305
Underground Tanks	State of Ohio	\$1,000,000	\$11,000	6/30/06	6307	\$2,100

*Covered over general liability, auto liability, law enforcement liability and public officials liability

Source: Lake Metroparks Finance Division

Analysis of Comprehensive Annual Financial Report Lake Metroparks, Ohio

AS OF DECEMBER 31, 2005

	1999	2000	2001	2002	2003	2004	2005
Net Debt per Capita	\$14.53	\$18.19	\$13.54	\$17.66	\$11.62	\$6.99	\$6.07
Net Debt to Assessed Value	0.06%	0.08%	0.05%	0.07%	0.05%	0.03%	0.02%
Operating Ratio-Enterprise Fund	87.80%	86.60%	83.40%	92.00%	92.20%	93.40%	99.32%
Governmental Revenues per Capita	\$50.41	\$51.50	\$59.60	\$55.65	\$54.58	\$54.29	\$56.62
Operating Expenditures/Total Expenditures-Governmental Funds	85.90%	76.60%	68.40%	75.10%	93.90%	91.50%	90.17%
Total Revenues from Own Sources	90.70%	90.40%	83.30%	77.20%	80.20%	80.70%	79.07%
Debt Service to Total Revenue	10.40%	10.80%	9.40%	10.00%	3.70%	18.50%	2.08%
Unreserved Fund Balance/Revenues-General Fund	9.40%	18.10%	4.60%	1.90%	7.10%	2.40%	6.37%
Actual Expenditures/Revised Budgeted Expenditures-General Fund	93.20%	92.20%	95.30%	96.20%	96.40%	96.60%	95.05%

Source: Lake Metroparks Finance Division/Fund Analysis

Population Densities
 1970, 1980, 1990, 2000
 Lake County Political Subdivisions
 Lake Metroparks, Ohio

	Population			Area in Square Miles			Density (persons/sq.mi.)					
	1970	1980	1990	2000	1970	1980	1990	2000	1970	1980	1990	2000
Concord Township	5,948	10,335	12,432	15,282	23.10	23.10	23.10	23.10	257	447	538	662
Eastlake	19,690	22,104	21,161	20,255	6.58	6.58	6.58	6.58	2,992	3,359	3,216	3,078
Fairport Harbor Village	3,665	3,357	2,978	3,180	1.09	1.09	1.12	1.12	3,362	3,080	2,659	2,839
Grand River Village	613	412	297	345	0.69	0.69	0.69	0.69	888	597	430	500
Kirtland	5,530	5,969	5,881	6,670	16.85	16.85	16.85	16.85	328	354	349	396
Kirtland Hills	452	506	628	597	5.65	5.65	5.65	5.65	80	90	111	106
Lakeline	223	258	210	165	0.08	0.08	0.08	0.08	2,788	3,225	2,625	2,063
Leroy Township	1,759	2,505	2,581	3,122	25.40	25.40	25.40	25.40	69	99	102	123
Madison Township	12,455	15,378	15,477	15,494	39.64	38.48	38.48	38.48	314	400	402	403
Madison Village	1,678	2,291	2,477	2,921	3.61	4.78	4.78	4.78	465	479	518	611
Mentor	36,912	42,065	47,358	50,278	27.91	27.91	27.91	27.91	1,323	1,507	1,697	1,801
Mentor-on-the-Lake	6,517	7,919	8,271	8,127	1.63	1.63	1.63	1.63	3,998	4,858	5,074	4,986
North Perry	851	897	824	838	3.78	3.78	3.78	3.78	225	237	218	222
Painesville	16,536	16,391	15,699	17,503	5.01	5.09	5.89	5.89	3,301	3,220	2,665	2,972
Painesville Township	10,870	12,348	13,218	15,037	17.57	17.48	16.65	16.65	619	706	794	903
Perry Township	4,634	5,126	4,944	6,220	17.54	17.54	17.33	17.33	264	292	285	359
Perry Village	917	961	1,012	1,195	2.00	2.00	2.21	2.21	459	481	457	541
Timberlake	964	885	833	775	0.21	0.21	0.21	0.21	4,590	4,214	3,967	3,690
Waite Hill	514	529	454	446	4.35	4.35	4.35	4.35	118	122	104	103
Wickliffe	20,632	16,790	14,558	13,484	4.68	4.68	4.68	4.68	4,409	3,588	3,111	2,881
Willoughby	18,634	19,329	20,510	22,621	10.21	10.21	10.21	10.21	1,825	1,893	2,009	2,216
Willoughby Hills	5,969	8,612	8,427	8,595	10.92	10.92	10.92	10.92	547	789	772	787
Willowick	21,237	17,834	15,269	14,361	2.50	2.50	2.50	2.50	8,495	7,134	6,108	5,744
Lake County	197,200	212,801	215,499	227,511	231.00	231.00	231.00	231.00	854	921	933	985

Source: Ohio Department of Development

Ratio of Annual General Debt Service Expenditures for General Obligation Bonded Debt to Total General Governmental Expenditures Lake Metroparks, Ohio

LAST TEN FISCAL YEARS

Fiscal Year Ended December 31	Principal	Interest	Total	Total General Governmental Expenditures	Ratio of Debt Service to General Expenditures
1996	\$2,036,170	\$130,489	\$2,166,659	\$11,033,678	19.64%
1997	1,187,000	233,883	1,420,883	12,271,075	11.58%
1998	1,000,000	241,500	1,241,500	12,648,016	9.82%
1999	1,000,000	193,200	1,193,200	12,129,166	9.84%
2000	1,060,000	208,035	1,268,035	13,955,466	9.09%
2001	1,060,000	210,116	1,270,116	15,861,810	8.01%
2002	1,060,000	203,486	1,263,486	15,435,215	8.19%
2003	260,000	197,924	457,924	11,946,158	3.83%
2004	2,160,000	134,516	2,294,516	14,412,097	15.92%
2005	200,000	71,100	271,100	12,625,740	2.15%

Source: Lake Metroparks Finance Division

Facility Utilization Lake Metroparks, Ohio

LAST TEN FISCAL YEARS

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Park Visits (1)	1,390,000	1,345,000	1,500,000	1,635,000	1,673,000	2,085,000	2,543,000	2,783,000	2,593,000	2,114,000
Rounds of Golf (2)	67,800	74,000	80,000	75,000	70,000	70,000	65,700	66,000	67,700	67,500
Registered Programs	1,288	1,400	1,458	1,432	1,476	1,504	1,524	1,500	1,329	1,475
Program Participants	23,999	24,858	23,205	27,222	25,406	26,108	24,424	25,168	25,412	23,107
Special Events (including events held at the Farmpark)	54	55	56	56	58	55	37	44	45	42
Special Events Participants (attendance totals calculated in the Farmpark totals also)	149,842	218,639	132,089	139,241	140,690	138,730	120,528	124,101	115,181	145,611
Farmpark Visits (3)	174,011	183,664	185,201	186,314	184,000	196,742	201,391	197,217	233,098	187,762

(1) Estimated and rounded to thousand

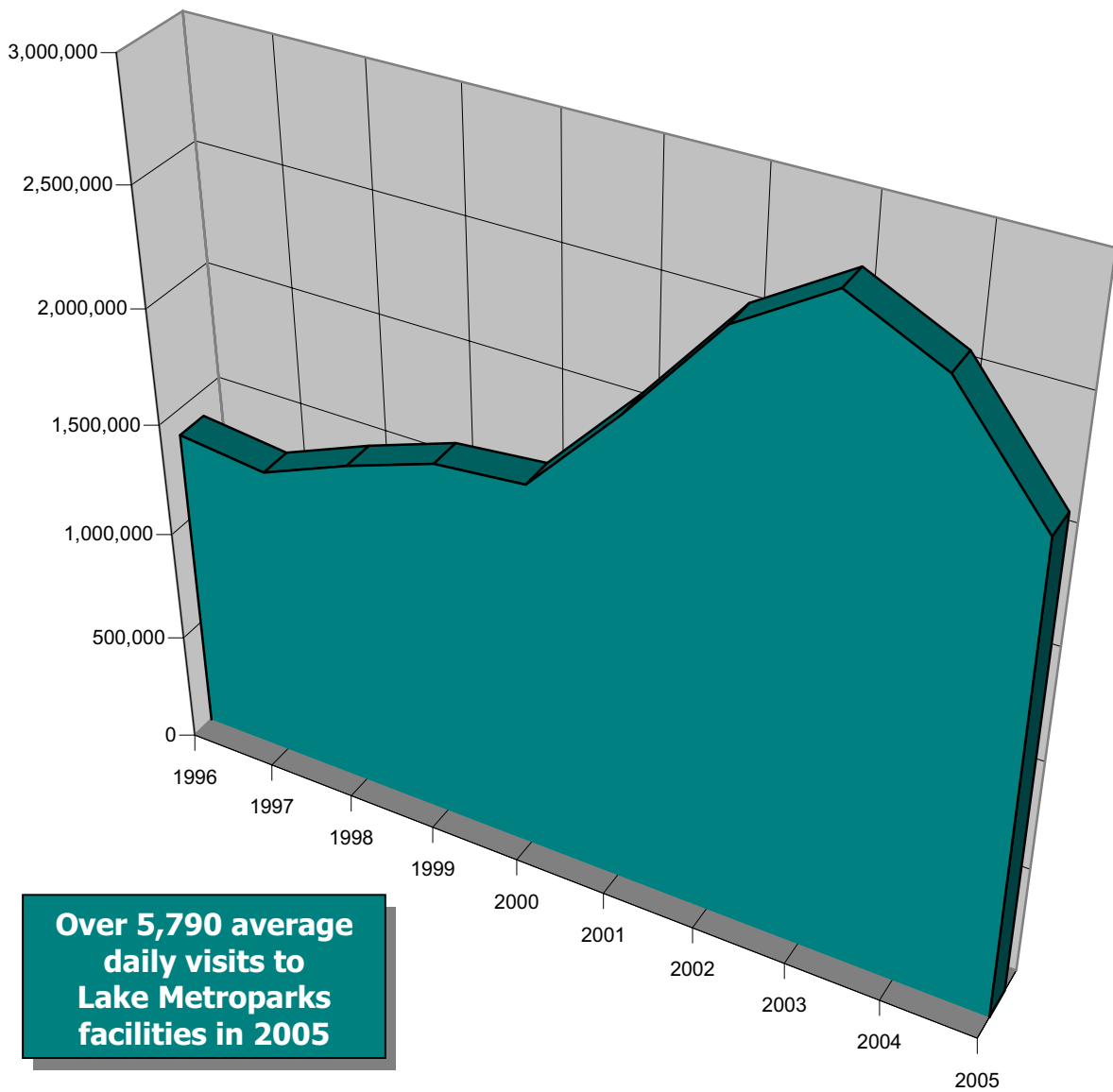
(2) Rounded to hundred

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

Source: Lake Metroparks Marketing Division

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Facility Utilization - Park Visits 1996 - 2005



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Arcola Creek (AC)
Dock Rd., Madison Twp.

Chagrin River Park (CRP)
Reeves Rd., Willoughby/Eastlake

Chapin Forest Reservation (CFR)
Hobart Rd., Kirtland

Children's Schoolhouse Nature Park (CSNP)
9045 Baldwin Rd.
Kirtland Hills, OH 44060
(440) 256-3808
By reservation only. Accessible classrooms, exhibits and trails.

Concord Woods Nature Park (CW)
11211 Spear Rd.
Concord Twp., OH 44077
(440) 639-7275 or 1-800-227-7275
Fax (440) 639-9126

Concord Woods Visitor Services (CWVS)
11189 Spear Rd.
Concord Twp., OH 44077
Registration Offices
(440) 358-7275 or 1-800-669-9226
Fax (440) 358-7280
Voice/TTY 8:30 am to 4:30 pm Mon-Sat
Ranger Department
(440) 358-7290

Environmental Learning Center (ELC)
Alexander Rd., Concord Twp.

Erie Shores Golf Course (ESGC)
7298 Lake Rd. East
Madison, OH 44057
(440) 428-3164 or 1-800-225-3742
Open year-round

Fairport Harbor Lakefront Park (FHLP)
301 Huntington Beach Drive
Fairport Harbor, OH 44077
(440) 639-9972

Accessible parking, restrooms, changing rooms and cement walkway.

Girdled Road Reservation (GRR)
(North) Girdled Rd., Concord Twp.
(South) Radcliffe Rd., Concord Twp.

Helen Hazen Wyman Park (HHW)
Route 86, Painesville

Hell Hollow Wilderness Area (HH)
Leroy Center Rd., Leroy

Hidden Valley Park (HV)
Klasen Rd., Madison

Hogback Ridge (HR)
Emerson Rd., Madison

Indian Point Park (IPP)
Seeley Rd., Leroy Twp.

Lake Farmpark (LFP)
8800 Chardon Rd. (Rt. 6)
Kirtland, OH 44094
(440) 256-2122 or 1-800-366-FARM
Fax (440) 256-2147
9:00 am to 5:00 pm daily
Farmpark Gifts & Books
Farmpark Café
Accessible ramps in the Visitor Center, wagon rides, parking, restrooms and water fountain.

Lakefront Lodge (LL)
30525 Lakeshore Blvd.
Willowick, OH 44095
(440) 585-3122
Fax (440) 585-3224
Accessible parking, restrooms and program rooms.

Lakeshore Reservation (LS)
Lockwood Rd., Perry
Accessible parking, restrooms, water fountain, bridge and paved trail.

Mason's Landing Park (ML)
Vrooman Rd., Perry

Paine Falls Park (PF)
Paine Rd., Leroy Twp.

Painesville Twp. Park (PTP)
1025 Hardy Rd.
Painesville Twp., OH 44077
Community Center Info: (440) 354-3885
Softball Info: (440) 639-9951
Accessible parking, restrooms, dance floor, drinking fountain and concession.

Penitentiary Glen Reservation (PG)
8668 Kirtland-Chardon Rd.
Kirtland, OH 44094
(440) 256-1404
Fax (440) 256-3827
Nature Center
9:00 am to 5:00 pm Daily

Wildlife Center
9:00 am to 5:00 pm Daily

Shelter
Nature Connection Gift Shop
Noon to 4:45 pm Tue-Sun
Closed Mondays.
An accessible deck, located along the paved Glen Meadow Loop Trail. Accessible parking, restrooms, water fountain, classrooms and auditorium.

Pine Ridge Country Club (PRCC)
30601 Ridge Rd.
Wickliffe, OH 44092
(440) 943-0293 or 1-800-254-7275
Open year-round

Riverview Park (RVP)
Bailey Rd., Madison

Veterans Park (VP)
Hopkins Rd., Mentor
Accessible parking, restrooms and paved trail.

Parks Facilities and Amenities

Park Names	Acres (Rounded)	Communities (see Key)	Picnic Area/Grills	Shelter	Fireplace	Drinking Water	Restrooms	Hiking Trails	Fitness Course	Playground	Volleyball Courts	Horseshoe Pits	Fishing
Chapin Forest Reservation	390	K	●	●	●	●	●	●	●	●	●	●	●
Penitentiary Glen Reservation	423	K	●	●		●	●	●					
Concord Woods Nature Park	28	CT	●	●	●	●	●	●		●			
Children's Schoolhouse Nature Park	12	KH				●	●	●					
Helen Hazen Wyman	60	CT/PA	●	●	●	●	●			●			●
Lakeshore	86	NP	●	●		●	●	●					●
Hidden Valley	152	MT	●	●		●	●	●		●			●
Riverview	45	MT	●	●	●	●	●	●					●
Hell Hollow	659	LT	●	●		●	●	●		●			
River Road	485	MT											
Parson's Gardens	7	WILLO	●	●		●							
Girdled Road Reservation	870	CT/LT	●	●		●	●	●	●				●
Grand River	14	F											
Mason's Landing	134	PT/LT	●				●						●
Paine Falls	227	LT	●	●			●	●					
Hogback Ridge	413	MT	●	●		●	●	●					●
Indian Point	292	LT	●			●	●						●
Blair Road	62	PT											
Lakefront Lodge	10	W	●			●	●						
Erie Shores Golf Course	182	MT		●		●							
Lake Farmpark	235	K	●	●		●	●	●		●			
Paradise Road (Conley Road)	318	CT											
Red Mill Valley (Dakin Swamp)	23	PT											
Clyde Hill Furnace	5	A											
Mentor Marsh	1	M											
Fullerton & Reed (Coe Mfg.)	3	PA											
Gulley Brook	120	WILLO H											
Huntoon Road	179	LT											
Cascade Road	47	CT											
Greenway Corridor	105	PA/PVT/CT						●					
Fairport Harbor Lakefront Park	20	F	●	●		●	●			●	●		●
Veterans Park	100	M	●	●	●	●	●	●		●			●
Painesville Township	37	PVT	●			●	●			●			●
Chagrin River Park	349	WILLO/E	●	●		●	●	●		●	●		●
Pine Ridge Country Club	126	WICK				●	●						
Arcola Creek	159	MT					●	●					●
Environmental Learning Center	150	CT											
TOTAL:	6528												

Stedding	X-Country Skiing	Ball/Game Fields	Handicapped Facilities	Nature Center	Not Open to Public	Comments
	●	●				
			●	●		Wildlife Center, four shelters
			●			Administration & Maintenance
			●	●		Children's Nature Center
		●	●			
			●			All People's Trail, beach
●		●	●			Shelter with electricity
●						
		●				Group camping
					●	Undeveloped
						Rental plots for gardeners
	●	●				Shelter with electricity
						Canoe launch
			●			
					●	Undeveloped
					●	Undeveloped
						18-hole golf course
				●		Agricultural education
					●	Undeveloped
					●	Undeveloped
					●	Undeveloped
					●	Undeveloped
					●	Undeveloped
					●	Undeveloped
					●	Undeveloped
					●	Undeveloped
					●	Undeveloped
●			●			Beach on Lake Erie
		●	●			Shelter with electricity, pond
		●	●			Dance floor
		●	●			
	●					

KEY TO COMMUNITY ABBREVIATIONS
A=Ashtabula
CT=Concord Twp.
E=Eastlake
F=Fairport
K=Kirtland
KH=Kirtland Hills
LT=Leroy Twp.
M=Mentor
M-L=Mentor on-the-Lake
MT=Madison Twp.
NP=North Perry
P=Perry
PA=Painesville
PT=Perry Twp.
PVT=Painesville Twp.
W=Willowick
WH=Waite Hills
WICK=Wickliffe
WILLO=Willoughby
WILLO H=Willoughby Hills

Lake County, Ohio



Lake Metroparks Properties (in green)

LAKE METRO PARKS

Nature & Recreation





**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

LAKE METROPARKS

LAKE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 27, 2006**