



Mary Taylor, CPA  
Auditor of State



**BOARDMAN TOWNSHIP PARK DISTRICT  
MAHONING COUNTY**

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Mary Taylor, CPA  
Auditor of State

Boardman Township Park District  
Mahoning County  
375 Boardman – Poland Road  
Boardman, Ohio 44512

To the Board of Commissioners:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

*Mary Taylor*

**Mary Taylor, CPA**  
Auditor of State

September 30, 2010

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Boardman Township Park District  
Mahoning County  
375 Boardman – Poland Road  
Boardman, Ohio 44512

To the Board of Commissioners:

We have audited the accompanying financial statements of Boardman Township Park District, Mahoning County, (the "District") as of and for the years ended December 31, 2009 and 2008. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion 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 opinion.

As described more fully in Note 1, the District has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the District's larger (i.e. major) funds separately. While the District does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Districts to reformat their statements. The District has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2009 and 2008 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2009 and 2008, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of Boardman Township Park District, Mahoning County, as of December 31, 2009 and 2008, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The District has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2010, on our consideration of the 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.

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

**Mary Taylor, CPA**  
Auditor of State

September 30, 2010



**BOARDMAN TOWNSHIP PARK DISTRICT  
MAHONING COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>All Fund Types</u>			<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Capital Projects</u>	<u>Private Purpose Trust Fund</u>	
<b>Cash Receipts:</b>				
General Property Tax - Real Estate	\$494,325			\$494,325
Personal Property Tax	4,666			4,666
Local Government Revenue Assistance	69,735			69,735
Intergovernmental	158,441			158,441
Commissions and Donations	2,681	\$127,150		129,831
Program Sponsorships	7,200			7,200
Charges for Services	213,165			213,165
Earnings on Investments	700	5,603	\$3,569	9,872
Miscellaneous	49,713	5,600	190	55,503
Total Cash Receipts	<u>1,000,626</u>	<u>138,353</u>	<u>3,759</u>	<u>1,142,738</u>
<b>Cash Disbursements:</b>				
Current Disbursements:				
Conservation/Recreation:				
Salaries	\$458,770			458,770
Fringe Benefits	189,023			189,023
Materials and Supplies	33,536			33,536
Capital Improvements and Equipment	41,656			41,656
Contracts - Repair	28,346			28,346
Contracts - Services	166,606	1,133,819	500	1,300,925
Other	9,953	101,594	2,459	114,006
Debt Service:				
Redemption of Principal				
Interest and Other Fiscal Charges		15,390		15,390
Total Cash Disbursements	<u>927,890</u>	<u>1,250,803</u>	<u>2,959</u>	<u>2,181,652</u>
Total Receipts Over/(Under) Disbursements	<u>72,736</u>	<u>(1,112,450)</u>	<u>800</u>	<u>(1,038,914)</u>
<b>Other Financing Receipts / (Disbursements):</b>				
Other Debt Proceeds - Sale of Notes		1,118,300		1,118,300
Total Other Financing Receipts / (Disbursements)		<u>1,118,300</u>		<u>1,118,300</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	72,736	5,850	800	79,386
Fund Cash Balances, January 1	<u>508,533</u>	<u>280,598</u>	<u>183,011</u>	<u>972,142</u>
<b>Fund Cash Balances, December 31</b>	<u><b>\$581,269</b></u>	<u><b>\$286,448</b></u>	<u><b>\$183,811</b></u>	<u><b>\$1,051,528</b></u>
Reserve for Encumbrances, December 31	<u>\$9,564</u>	<u>\$0</u>	<u>\$0</u>	<u>\$9,564</u>

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

**BOARDMAN TOWNSHIP PARK DISTRICT  
MAHONING COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
ALL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>All Fund Types</u>			<b>Totals (Memorandum Only)</b>
	<u>General</u>	<u>Capital Projects</u>	<u>Private Purpose Trust Fund</u>	
<b>Cash Receipts:</b>				
General Property Tax - Real Estate	\$487,988			\$487,988
Personal Property Tax	30,919			30,919
Local Government Revenue Assistance	80,363			80,363
Intergovernmental	128,662			128,662
Commissions and Donations	2,267	\$145,005		147,272
Program Sponsorships	11,400			11,400
Charges for Services	186,571			186,571
Earnings on Investments	6,299	5,663	\$4,622	16,584
Miscellaneous	113,119			113,119
<b>Total Cash Receipts</b>	<b>1,047,588</b>	<b>150,668</b>	<b>4,622</b>	<b>1,202,878</b>
<b>Cash Disbursements:</b>				
Current Disbursements:				
Conservation/Recreation:				
Salaries	\$442,018			442,018
Fringe Benefits	171,701			171,701
Materials and Supplies	30,097			30,097
Capital Improvements and Equipment	87,155			87,155
Contracts - Repair	36,732			36,732
Contracts - Services	174,034	55,178	2,789	232,001
Other	9,464	759		10,223
<b>Total Cash Disbursements</b>	<b>951,201</b>	<b>55,937</b>	<b>2,789</b>	<b>1,009,927</b>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	96,387	94,731	1,833	192,951
Fund Cash Balances, January 1	412,146	185,867	181,178	779,191
<b>Fund Cash Balances, December 31</b>	<b>\$508,533</b>	<b>\$280,598</b>	<b>\$183,011</b>	<b>\$972,142</b>
Reserve for Encumbrances, December 31	\$12,816	\$0	\$0	\$12,816

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

**BOARDMAN TOWNSHIP PARK DISTRICT  
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the Boardman Township Park District, Mahoning County, (the "District") as a body corporate and politic. The Boardman Township Trustees of Mahoning County appoints a three-member Board of Commissioners to govern the District. The Commissioners are authorized to acquire, develop, protect, maintain, and improve park lands and facilities. The Commissioners may convert acquired land into forest reserves. The Commissioners are also responsible for activities related to conserving natural resources, including streams, lakes, submerged lands, and swamp lands. The Board may also create parks, parkways, and other reservations and may afforest, develop, improve and protect and promote the use of these assets conducive to the general welfare.

The District's management believes these financial statements present all activities for which the District is financially accountable.

**B. Accounting Basis**

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The District recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

**C. Deposit and Investments**

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

The District values certificates of deposit at cost. The investment in repurchase agreements is valued at cost.

**D. Fund Accounting**

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District classifies its funds into the following types:

**1. General Fund**

The General Fund reports all financial resources except those required to be accounted for in another fund.

**BOARDMAN TOWNSHIP PARK DISTRICT  
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

**2. Capital Project Funds**

These funds account for receipts restricted to acquiring or constructing major capital projects (except those financed through enterprise or trust funds). The District had the following significant capital project funds:

*Capital Campaign Fund* – In 2007, the District began a fund raising campaign to raise funds to improve various buildings within the District.

*Community Center Fund* – In 2007, the District began a fund raising campaign to raise funds to expand and renovate the District's Community Center which was first constructed in 1977.

**3. Private-Purpose Trust Funds**

Private-purpose trust funds account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the District's own programs.

The District's private purpose trust fund is for the renovation and restoration of St. James Meeting Place, a historical church located on District property.

**E. Budgetary Process**

The Ohio Revised Code requires that each fund be budgeted annually.

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund level of control, and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

**2. Estimated Resources**

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

**3. Encumbrances**

The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2009 and 2008 budgetary activity appears in Note 3.

**BOARDMAN TOWNSHIP PARK DISTRICT  
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

**F. Property, Plant, and Equipment**

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

**G. Accumulated Leave**

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

**2. EQUITY IN POOLED DEPOSITS AND INVESTMENTS**

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

	<u>Market Value</u>		<u>Carrying Value</u>	
	2009	2008	2009	2008
Demand deposits			\$374,001	\$354,100
Certificates of deposit			3,156	\$3,137
Huntington Savings			209,171	154,432
Total deposits	<u>0</u>	<u>0</u>	<u>586,328</u>	<u>511,669</u>
Fenton Meredith Bequest	\$160,756	\$141,410	183,621	183,011
Capital Campaign	259,413	192,276	281,579	277,462
Total investments	<u>420,169</u>	<u>333,686</u>	<u>465,200</u>	<u>460,473</u>
Total deposits and investments	<u>\$420,169</u>	<u>\$333,686</u>	<u>\$1,051,528</u>	<u>\$972,142</u>

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation, or collateralized by the financial institution's public entity deposit pool.

**Investments:** The District utilizes The Community Foundation of the Mahoning Valley (TCFMV) to maintain and invest monies received for the Fenton Meredith Bequest and the Capital Campaign. Monies received by TCFMV on behalf of the Fenton Meredith Bequest and the Capital Campaign for the years ended December 31, 2009 and 2008 totaled \$60,650 and \$178,293 respectively.

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending 2009 and 2008 follows:

Fund Type	2009 Budgeted vs. Actual Receipts		
	Budgeted Receipts	Actual Receipts	Variance
General	\$998,553	\$1,000,626	\$2,073
Capital Projects	1,256,471	1,256,653	182
Private Purpose Trust	4,441	3,759	(682)
Total	<u>\$2,259,465</u>	<u>\$2,261,038</u>	<u>\$1,573</u>

**BOARDMAN TOWNSHIP PARK DISTRICT  
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)**

**3. BUDGETARY ACTIVITY - (Continued)**

2009 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,511,630	\$937,454	\$574,176
Capital Projects	1,267,935	1,250,803	17,132
Private Purpose Trust	185,177	2,959	182,218
Total	\$2,964,742	\$2,191,216	\$773,526

2008 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$1,045,932	\$1,047,588	\$1,656
Capital Projects	\$5,150	\$150,668	\$145,518
Private Purpose Trust	0	4,622	4,622
Total	\$1,051,082	\$1,202,878	\$151,796

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,451,160	\$964,017	\$487,143
Capital Projects	208,150	55,937	152,213
Private Purpose Trust	180,589	2,789	177,800
Total	\$1,839,899	\$1,022,743	\$817,156

**4. PROPERTY TAX**

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

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

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

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

**5. DEBT**

Debt outstanding at December 31, 2009 was as follows:

	Principal	Interest Rate
Promissory Note #1	\$800,000	2.75%
Promissory Note #2	318,300	2.75%
Total	\$1,118,300	

**BOARDMAN TOWNSHIP PARK DISTRICT  
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009 AND 2008  
(Continued)**

**5. DEBT – (Continued)**

The \$800,000 Promissory Note and the \$325,000 Promissory Note each bears an interest rate of 2.75 percent and is due to Huntington National Bank on August 5, 2010 and September 5, 2010 respectively. Promissory Note #1 was entered into on February 15, 2009, and Promissory Note #2 was entered into on July 10, 2009. The District did not utilize the full amount of Promissory Note #2 during 2009. Proceeds of these notes were used to finance the Community Center Renovation and Expansion project. Promissory Note #1 is an unsecured note. Promissory Note #2 is collateralized by a pledge of Securities in the name of Boardman Township Park 60<sup>th</sup> Anniversary Capital Campaign Fund. During 2009, the District paid interest of \$12,754 on Promissory Note #1 and \$2,236 on Promissory Note #2.

**6. RETIREMENT SYSTEMS**

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

The Ohio Revised Code also prescribes contribution rates. For 2009 and 2008, OPERS members contributed 10% of their gross salaries and the District contributed an amount equaling 14% of participants' gross salaries. The District has paid all contributions required through December 31, 2009.

**7. RISK MANAGEMENT**

**Commercial Insurance**

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

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# Mary Taylor, CPA

## Auditor of State

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

Boardman Township Park District  
Mahoning County  
375 Boardman – Poland Road  
Boardman, Ohio 44512

To the Board of Commissioners:

We have audited the financial statements of the Boardman Township Park District, Mahoning County, (the "District") as of and for the years ended December 31, 2009 and 2008, and have issued our report thereon dated September 30, 2010, wherein we noted the District prepared its financial statements using accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. 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 District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

### Compliance and Other Matters

As part of reasonably assuring whether the 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*.

We did note a certain noncompliance or other matter that we reported to the District's management in a separate letter dated September 30, 2010.

We intend this report solely for the information and use of the audit committee, management, and the Board of Commissioners. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

September 30, 2010



**Mary Taylor, CPA**  
Auditor of State

**BOARDMAN TOWNSHIP PARK DISTRICT**

**MAHONING 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  
OCTOBER 14, 2010**