



**BOARDMAN TOWNSHIP PARK DISTRICT  
MAHONING COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 1999-1998**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



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## REPORT OF INDEPENDENT ACCOUNTANTS

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, Ohio, (the District) as of and for the years ended December 31, 1999 and December 31, 1998. 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 generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the District prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances and reserves for encumbrances of the District as of December 31, 1999 and December 31, 1998, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 11, 2000 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 grants.

This report is intended solely for the information and use of management, Board of Park Commissioners and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro".

**Jim Petro**  
Auditor of State

April 11, 2000

**Boardman Township Park District**



**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCE - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>General Fund</u>
<b>Cash Receipts:</b>	
Real Property	\$451,620
Local Government Fund and Revenue Assistance	82,857
Personal Property and Exemption	97,212
State Rollback/Homestead	58,431
Commissions and Donations	9,592
Investment Income	27,063
Park Activities	30,174
Reservations	98,357
Sponsorships	6,300
Other Receipts	7,016
	<hr/>
Total Cash Receipts	868,622
<b>Cash Disbursements:</b>	
Current:	
Employee Compensation	267,069
Supplies	34,756
Repairs/Maintenance	53,927
Equipment	149,900
Utilities	43,932
Professional Services	4,565
Programming	36,835
Insurance/Bonds	20,345
Employee Benefits	108,197
Debt:	
Payment of Principal	24,500
Payment of Interest	2,581
Other	27,465
	<hr/>
Total Cash Disbursements	774,072
Total Receipts Over/(Under) Disbursements	<hr/> 94,550
Fund Cash Balance, January 1	<hr/> 598,534
<b>Fund Cash Balance, December 31</b>	<b><hr/><hr/>\$693,084</b>
Reserves for Encumbrances, December 31	<hr/> <hr/> \$99,927

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

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCE - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>General Fund</u>
<b>Cash Receipts:</b>	
Real Property	\$440,543
Local Government Fund and Revenue Assistance	81,847
Personal Property and Exemption	95,728
State Rollback/Homestead	57,329
Commissions and Donations	22,803
Investment Income	24,793
Park Activities	38,063
Reservations	89,226
Sponsorships	8,300
Other Receipts	<u>31,194</u>
 Total Cash Receipts	 <u>889,826</u>
<b>Cash Disbursements:</b>	
Current:	
Employee Compensation	275,686
Supplies	26,053
Repairs/Maintenance	21,786
Equipment	201,109
Utilities	41,857
Professional Services	4,137
Programming	29,127
Insurance/Bonds	17,154
Employee Benefits	92,887
Debt:	
Payment of Principal	24,500
Payment of Interest	4,049
Other	<u>32,477</u>
 Total Cash Disbursements	 <u>770,822</u>
 Total Receipts Over/(Under) Disbursements	 <u>119,004</u>
 Fund Cash Balance, January 1	 <u>479,530</u>
 <b>Fund Cah Balance, December 31</b>	 <b><u>598,534</u></b>
 Reserves for Encumbrances, December 31	 <u>13,608</u>

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



**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Boardman Township Park District, Mahoning County, (the District) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is directed by a three-member Board of Commissioners appointed by the Boardman Township Trustees, Mahoning County. The District provides recreational activities for all citizens.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized 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 prescribed or permitted by the Auditor of State.

**C. Cash and Investments**

The District maintained a general operating bank account, and a sweep account, which is valued at cost.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Except, gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

**D. Fund Accounting**

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

**General Fund**

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

**E. Budgetary Process**

The Ohio Revised Code requires the General Fund to be budgeted annually.

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The 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.

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

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

**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 commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 1999 and 1998 budgetary activity appears in Note 3.

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

**G. Unpaid Vacation and Sick Leave**

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the District.

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

The District maintains a cash and investments pool used by the general fund. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	<u>1999</u>	<u>1998</u>
Demand deposits	\$ (2,580)	\$ (4,870)
Repurchase Agreement (Sweep Account)	<u>695,664</u>	<u>603,404</u>
Total deposits and investments	<u><u>\$693,084</u></u>	<u><u>\$598,534</u></u>

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation.

**Investments:** The repurchase agreement includes uninsured and unregistered investments for which the securities are held by the broker or dealer or by its trust department but not in the District's name.

**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999 AND 1998**  
**(Continued)**

**3. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 1999 and December 31, 1998 follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General Fund	<u>\$818,668</u>	<u>\$868,622</u>	<u>\$49,954</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General Fund	<u>\$1,412,265</u>	<u>\$873,999</u>	<u>\$538,266</u>

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General Fund	<u>\$797,960</u>	<u>\$889,826</u>	<u>\$91,866</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General Fund	<u>\$1,250,266</u>	<u>\$784,430</u>	<u>\$465,836</u>

**4. PROPERTY TAX**

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board of Park Commissioners. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999 AND 1998**  
(Continued)

**5. DEBT**

Debt outstanding at December 31, 1999 was as follows:

	Principal	Interest Rate
Mortgage Note	\$36,750	5.95%

This note was issued for the purpose of purchasing real property, as authorized by the Board, to be repaid with property tax revenues.

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

Year ending December 31:	Mortgage Note
2000	\$26,705
2001	12,691
Total	\$39,396

**6. RETIREMENT SYSTEM**

The District's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, members of PERS contributed 8.5% of their gross salaries. The District contributed an amount equal to 13.55% of participants' gross salaries. The District has paid all contributions required through December 31, 1999.

**7. RISK MANAGEMENT**

The District has obtained commercial insurance for the following risks:

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

The District also provides health insurance and dental and vision coverage to full-time employees through a private carrier.



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## REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON INTERNAL CONTROL 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 Boardman Township Park District, Mahoning County, Ohio (the District ), as of and for the years ended December 31, 1999 and December 31, 1998, and have issued our report thereon dated April 11, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on 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 such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted one immaterial instance of noncompliance that we have reported to management of the Park District in a separate letter dated April 11, 2000.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a 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 in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted one matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated April 11, 2000.

This report is intended for the information and use of management and Board of Park Commissioners, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

**Jim Petro**  
Auditor of State

April 11, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**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  
JUNE 27, 2000**