



Mary Taylor, CPA
Auditor of State

**BOARDMAN TOWNSHP 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.

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Mary Taylor, CPA
Auditor of State

January 30, 2009

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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, 2007 and 2006. 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, 2007 and 2006 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, 2007 and 2006, 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, 2007 and 2006, 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 January 30, 2009, 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

January 30, 2009

**BOARDMAN TOWNSHIP PARK DISTRICT
MAHONING COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2007**

| | <u>All Fund Types</u> | | | <u>Totals (Memorandum Only)</u> |
|--|-------------------------|-----------------------------|--|---|
| | <u>General</u> | <u>Capital Projects</u> | <u>Private Purpose Trust Funds</u> | |
| Cash Receipts: | | | | |
| General Property Tax - Real Estate | \$572,430 | | | \$572,430 |
| Personal Property Tax | 120,992 | | | 120,992 |
| Local Government Revenue Assistance | 82,072 | | | 82,072 |
| Grants | 20,000 | | | 20,000 |
| Commissions and Donations | 3,250 | 203,000 | \$456 | 206,706 |
| Program Sponsorships | 13,350 | | | 13,350 |
| Charges for Services | 202,131 | | | 202,131 |
| Earnings on Investments | 12,788 | 1,054 | 10,916 | 24,758 |
| Miscellaneous | 51,096 | | | 51,096 |
| Total Cash Receipts | <u>1,078,109</u> | <u>204,054</u> | <u>11,372</u> | <u>1,293,535</u> |
| Cash Disbursements: | | | | |
| Current Disbursements: | | | | |
| Conservation/Recreation: | | | | |
| Salaries | \$470,480 | | | 470,480 |
| Fringe Benefits | 161,481 | | | 161,481 |
| Materials and Supplies | 30,618 | | | 30,618 |
| Capital Improvements and Equipment | 70,112 | 11,088 | 37,147 | 118,347 |
| Contracts - Repair | 40,679 | | | 40,679 |
| Contracts - Services | 179,671 | 7,099 | 1,389 | 188,159 |
| Other | 10,463 | | | 10,463 |
| Total Cash Disbursements | <u>963,504</u> | <u>18,187</u> | <u>38,536</u> | <u>1,020,227</u> |
| Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements | 114,605 | 185,867 | (27,164) | 273,308 |
| Fund Cash Balances, January 1 | 297,541 | | 208,342 | 505,883 |
| Fund Cash Balances, December 31 | <u>\$412,146</u> | <u>\$185,867</u> | <u>\$181,178</u> | <u>\$779,191</u> |
| Reserve for Encumbrances, December 31 | <u>\$63,384</u> | <u>\$0</u> | <u>\$0</u> | <u>\$63,384</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 GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2006**

| | <u>All Fund Types</u> | | Totals (Memorandum Only) |
|--|-------------------------|--|---|
| | <u>General</u> | <u>Private Purpose Trust Funds</u> | |
| Cash Receipts: | | | |
| General Property Tax - Real Estate | \$567,462 | | \$567,462 |
| Personal Property Tax | 110,375 | | 110,375 |
| Local Government Revenue Assistance | 81,630 | | 81,630 |
| Grants | 145,853 | | 145,853 |
| Commissions and Donations | 44,453 | \$218,342 | 262,795 |
| Program Sponsorships | 9,050 | | 9,050 |
| Charges for Services | 176,823 | | 176,823 |
| Earnings on Investments | 16,464 | | 16,464 |
| Miscellaneous | 13,933 | | 13,933 |
| | <u>1,166,043</u> | <u>218,342</u> | <u>1,384,385</u> |
| Total Cash Receipts | | | |
| Cash Disbursements: | | | |
| Current Disbursements: | | | |
| Conservation/Recreation: | | | |
| Salaries | \$464,965 | | 464,965 |
| Fringe Benefits | 165,154 | | 165,154 |
| Materials and Supplies | 32,905 | | 32,905 |
| Capital Improvements and Equipment | 544,103 | 10,000 | 554,103 |
| Contracts - Repair | 68,756 | | 68,756 |
| Contracts - Services | 171,540 | | 171,540 |
| Other | 5,087 | | 5,087 |
| | <u>1,452,510</u> | <u>10,000</u> | <u>1,462,510</u> |
| Total Cash Disbursements | | | |
| Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements | (286,467) | 208,342 | (78,125) |
| Fund Cash Balances, January 1 (Restated - See Note 6) | <u>584,008</u> | | <u>584,008</u> |
| Fund Cash Balances, December 31 | <u>\$297,541</u> | <u>\$208,342</u> | <u>\$505,883</u> |
| Reserve for Encumbrances, December 31 | <u>\$21,111</u> | <u>\$0</u> | <u>\$21,111</u> |

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, 2007 AND 2006**

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. Cash 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 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, 2007 AND 2006
(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 fund:

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

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 2007 and 2006 budgetary activity appears in Note 3.

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.

**BOARDMAN TOWNSHIP PARK DISTRICT
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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 CASH AND INVESTMENTS

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

| | <u>Market Value</u> | | <u>Carrying Value</u> | |
|--------------------------------|---------------------|------------------|-----------------------|------------------|
| | <u>2007</u> | <u>2006</u> | <u>2007</u> | <u>2006</u> |
| Demand deposits | | | \$260,206 | \$20,267 |
| Huntington Savings | | | \$151,941 | |
| Certificates of deposit | | | 3,000 | 127,579 |
| Total deposits | <u>0</u> | <u>0</u> | <u>415,147</u> | <u>147,846</u> |
| Repurchase agreement | | | | 149,695 |
| Fenton Meredith Bequest | 176,946 | 208,342 | 181,177 | 208,342 |
| Capital Campaign | 179,615 | | 182,867 | |
| Total investments | <u>356,561</u> | <u>208,342</u> | <u>364,044</u> | <u>358,037</u> |
| Total deposits and investments | <u>\$356,561</u> | <u>\$208,342</u> | <u>\$779,191</u> | <u>\$505,883</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's financial institution transfers securities to the District's agent to collateralize repurchase agreements. The securities are not in the District's name. 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, 2007 and 2006 totaled \$200,456 and \$218,341 respectively.

**BOARDMAN TOWNSHIP PARK DISTRICT
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending 2007 and 2006 follows:

| 2007 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|------------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$1,117,742 | \$1,078,109 | (\$39,633) |
| Capital Projects | 203,000 | 204,054 | 1,054 |
| Private Purpose Trust | 0 | 11,372 | 11,372 |
| Total | \$1,320,742 | \$1,293,535 | (\$27,207) |

| 2007 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|-----------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$1,359,326 | \$1,026,888 | \$332,438 |
| Capital Projects | 203,000 | 18,167 | 184,833 |
| Private Purpose Trust | 180,589 | 38,536 | 142,053 |
| Total | \$1,742,915 | \$1,083,591 | \$659,324 |

| 2006 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|-----------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$1,164,546 | \$1,166,043 | \$1,497 |
| Private Purpose Trust | 0 | 218,342 | 218,342 |
| Total | \$1,164,546 | \$1,384,385 | \$219,839 |

| 2006 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|-----------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$1,577,095 | \$1,473,621 | \$103,474 |
| Private Purpose Trust | 0 | 10,000 | (10,000) |
| Total | \$1,577,095 | \$1,483,621 | \$93,474 |

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which the Board of Commissioners adopts 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.

**BOARDMAN TOWNSHIP PARK DISTRICT
MAHONING COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006
(Continued)**

4. PROPERTY TAX - (Continued)

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. RETIREMENT SYSTEMS

The District's full time 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 2007 and 2006, OPERS members contributed 9.5% and 9%, respectively, of their gross salaries and the District contributed an amount equaling 13.85% and 13.7%, respectively, of participants' gross salaries. The District has paid all contributions required through December 31, 2007.

6. RESTATEMENT OF FUND BALANCE

During 2006, it was determined that in the prior year financial statements, the General Fund balance was understated by \$3,009. This fund balance adjustment is due to the timing of recording voided checks. The restatement had the following effect:

| | |
|--|------------------|
| General Fund Balance 12/31/05 | \$580,999 |
| Voided Checks | <u>3,009</u> |
| Restated General Fund Balance 01/01/06 | <u>\$584,008</u> |

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, 2007 and 2006, and have issued our report thereon dated January 30, 2009, wherein we noted the District followed accounting practices the Auditor of State prescribes 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 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.

We noted a certain matter that we reported to the District's management in a separate letter dated January 30, 2009.

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 January 30, 2009.

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

January 30, 2009



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
FEBRUARY 19, 2009**