Franklin Park Conservatory Joint Recreation District

Financial Statements as of and for the Years Ended December 31, 2010 and 2009, and Independent Auditors' Reports

CLARK SCHAEFER HACKETT
STRENGTH IN NUMBERS

Dave Yost • Auditor of State

Board of Trustees
Franklin Park Conservatory Joint Recreation District
1777 East Broad Street
Columbus, Ohio 43203

We have reviewed the *Independent Auditors' Report* of the Franklin Park Conservatory Joint Recreation District, Franklin County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2010 through December 31, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Franklin Park Conservatory Joint Recreation District is responsible for compliance with these laws and regulations.

Dave Yost

Dave Yost
Auditor of State

April 12, 2011

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FRANKLIN PARK CONSERVATORY JOINT RECREATION DISTRICT

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the
Franklin Park Conservatory Joint Recreation District:

We have audited the accompanying statements of net assets of the Franklin Park Conservatory Joint Recreation District (the "Conservatory") as of December 31, 2010 and 2009 and the related statements of revenues, expenses, and changes in net assets and of cash flows for the years then ended. These financial statements are the responsibility of the Conservatory's management. Our responsibility is to express an opinion on the financial statements based on our audits. We did not audit the statements of financial position of the Franklin Park Conservatory Women's Sustaining Board, a discretely presented component unit, as of December 31, 2010 and 2009, and related statements of revenue, expenses, and changes in net assets for the years then ended. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Franklin Park Conservatory Women's Sustaining Board, is based solely on the report of other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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. The financial statements of Franklin Park Conservatory Women's Sustaining Board were not audited in accordance with *Government Auditing Standards*, but were audited in accordance with auditing standards generally accepted in the United States of America. 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the report of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the Franklin Park Conservatory Joint Recreation District and its discretely presented component unit as of December 31, 2010 and 2009, and their changes in its net assets and their cash flows, where applicable, for the years 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 March 29, 2011 on our consideration of the Conservatory's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 9 is not a required part of the financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
March 29, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") section of the Franklin Park Conservatory Joint Recreation District's (the "Conservatory") financial report represents a discussion and analysis of the Conservatory's financial performance during the fiscal years ended December 31, 2010 and 2009. Please read it in conjunction with the Conservatory's financial statements, which follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Conservatory accounts for all transactions under a single enterprise fund and the financial statements are prepared using proprietary fund (enterprise fund) accounting. Under this method of accounting, an economic resources measurement focus and an accrual basis of accounting are used. Revenue is recorded when earned and expenses are recorded when incurred. The financial statements include a statement of net assets, a statement of revenues, expenses, and changes in net assets, and a statement of cash flows. These are followed by notes to the financial statements.

The Statement of Net Assets presents information on the assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Conservatory is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Assets reports the operating revenues and expenses and non-operating revenue and expenses of the Conservatory for the fiscal year with the difference being combined with any capital contributions to determine the change in net assets for the fiscal year.

The Statement of Cash Flows reports cash and cash equivalent activities for the fiscal year resulting from operating activities, capital and related financing activities, and investing activities. The net result of these activities added to the beginning of the year's cash and cash equivalents balance reconciles to the cash and cash equivalents balance at the end of the current fiscal year.

FINANCIAL HIGHLIGHTS

- Combined operating and non-operating revenues, and capital contributions were $7.5 million in 2010, up from $6.7 million in 2009. This increase was largely due to increased earned operating revenues.

- 2010 operating revenues represent 53% of total revenues and support, up from 43% in 2009. The increase was mostly due to improved facility rentals, catering and membership sales.

- Over 191,000 patrons visited the Franklin Park Conservatory during 2010. A 16% increase over 2009. Attendance increased in large part due to rental event activities.

- Net assets increased $387,000 to $19.6 million during 2010. $120,000 of net assets relates to a Financial Sustainability campaign, launched in 2010.

- The $21 million Master Plan Capital Campaign, which began in 2005, was completed in 2009. These funds supported a strategic initiative to improve the sustainability and grandeur of Franklin Park Conservatory and Franklin Park. Two of three major projects in Phase 1 have been completed to date. The first project, the Palm House additions, includes two 5,000 square foot additions to the historic John F. Wolfe Palm House, a Brides Garden and a lighting installation in the Palm House by world-renowned artist James Turrell. The second project, a 7-acre Scotts Miracle-Gro Company Community Garden Campus is a living classroom that includes a Community Garden Center, an Education Pavilion, a live fire cooking theatre and 50 horticultural gardens. The third project, a greenhouse, is expected to be completed in 2011.

- Early in 2009, the Conservatory implemented a restructuring plan in response to the impact of the economy. The plan realigned the staff structure, and provided operating efficiencies that generated approximately $370,000 in cost savings.

- Approximately 13,000 hours were donated in 2010 by volunteers, at savings of approximately $264,000 in labor costs.

- The Conservatory's community outreach program, Growing to Green, added twenty new projects in 2010, bringing the total to more than 185 gardens started or rejuvenated since the program's inception.

Financial Position

The following summarizes the Conservatory's financial position as of December 31, 2010, 2009, and 2008:

	2010	2009	2008
ASSETS:			
Current assets	$ 3,202,829	$ 3,352,188	$ 5,845,563
Capital assets	21,322,220	21,970,899	18,636,537
Other noncurrent assets	1,751,559	2,987,392	4,724,236
Total assets	26,276,608	28,310,479	29,206,336
LIABILITIES:			
Current liabilities	2,023,186	2,477,628	3,124,557
Noncurrent liabilities	4,665,594	6,632,040	6,922,474
Total liabilities	6,688,780	9,109,668	10,047,031
NET ASSETS:			
Invested in capital assets, net of related debt	16,412,220	14,923,687	11,802,721
Restricted net assets	3,972,817	5,067,296	7,885,196
Unrestricted net assets (deficit)	(797,209)	(790,172)	(528,612)
Total net assets	19,587,828	19,200,811	19,159,305
Total liabilities and net assets	$ 26,276,608	$ 28,310,479	$ 29,206,336

Current Assets—The decrease in current assets for 2010 and 2009 was attributed to the collection of pledges receivable for the Capital Campaign, and use of the bond proceeds and pledge payments received for construction.

Capital Assets—Capital assets, net of disposals, increased $296,000 during 2010, and $4,123,000 during 2009. $3,910,000 in 2009 was for Master Plan new construction, which included $1,000,000 for the James Turrell Lighting Project. In addition to the Master Plan, the following items were also capitalized.

- in 2010, purchase of the Savage Garden Exhibit, Hot Shop equipment, and mall-way lights
- in 2009, installation of the Hot Shop structure, elevator modernization, and café improvements

Depreciation on capital assets was $945,000 for 2010, $789,000 for 2009, and $537,000 for 2008.

Noncurrent Assets—Pledges for the Master Plan Capital Campaign at present value expected to be realized more than one year from the balance sheet date were $1,476,000 for 2010, $2,628,000 for 2009, and $4,296,000 for 2008.

Current Liabilities—Current liabilities include $265,000 and $250,000 for principal payments on the bonds due in 2011 and 2010, respectively. Notes payable for 2010 and 2009 includes a $750,000 line of credit. In addition, 2009 includes a $190,000 promissory note that was paid in 2010. The decrease of approximately $313,000 in Accounts Payable was due to winding down of Phase 1 on the Master Plan, as well as improved cash flow.

Long-Term Liabilities—Long-term liabilities include bonds payable which were used to finance the Master Plan. The balances outstanding were $4,645,000, $6,610,000, and $6,860,000 in 2010, 2009, and 2008, respectively.

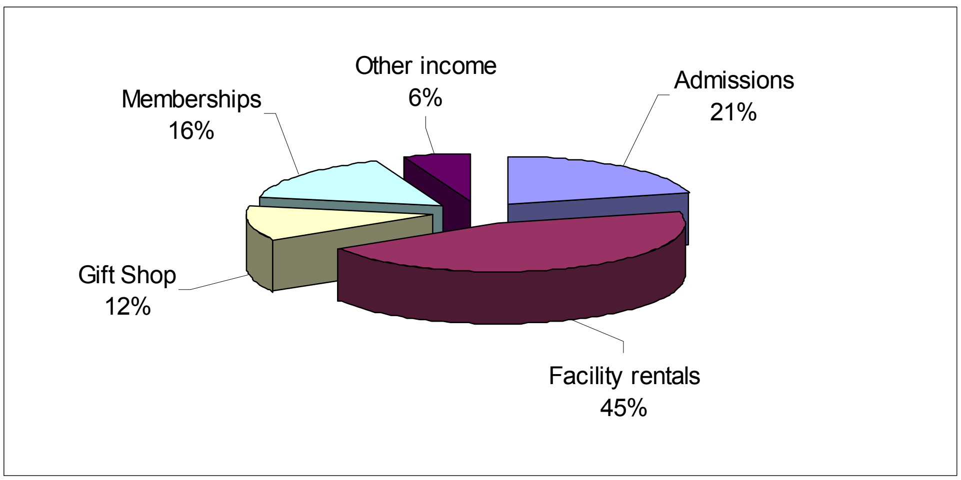
A promissory note to a donor for exhibit acquisition was reduced by $1,000,000 in debt forgiveness in 2008.

Net Assets—The largest portion of the Conservatory's net assets each year represents its investment in capital assets, less related debt outstanding used to acquire those capital assets. The Conservatory uses these assets to provide services to its visitors; consequently, these assets are not available for future spending. In 2007, $7,100,000 of bonds to finance the Master Plan construction were issued. Of these proceeds, $3,000 was spent in 2010, $453,000 was spent in 2009, $4,866,000 was spent in 2008 and $1,778,000 was spent in 2007.

Financial Results

Revenue

The following chart shows the major sources of operating revenue for the year ended December 31, 2010.



	2010	2009	2008
Admissions	$ 832,869	$ 830,842	$ 575,855
Facility rentals	1,787,197	1,044,985	1,076,760
Gift Shop	466,287	498,033	370,763
Memberships	638,283	329,278	334,580
Other income	225,461	142,122	103,458
Operating Revenues	$ 3,950,097	$ 2,845,260	$ 2,461,416

The following schedule presents a summary of revenues and capital contributions for the fiscal years ended December 31, 2010, 2009 and 2008.

	2010	2009	2008
Operating Revenues:			
Charges for goods and services	$ 3,950,097	$ 2,845,260	$ 2,461,416
Non-operating Revenues:			
City revenue	350,000	100,000	352,806
County revenue	475,000	475,000	400,000
Donations and grants	1,335,419	1,307,732	1,700,636
Investment income	3,577	23,939	100,349
Capital contributions	1,377,158	1,907,569	4,313,706
	$ 7,491,251	$ 6,659,500	$ 9,328,913

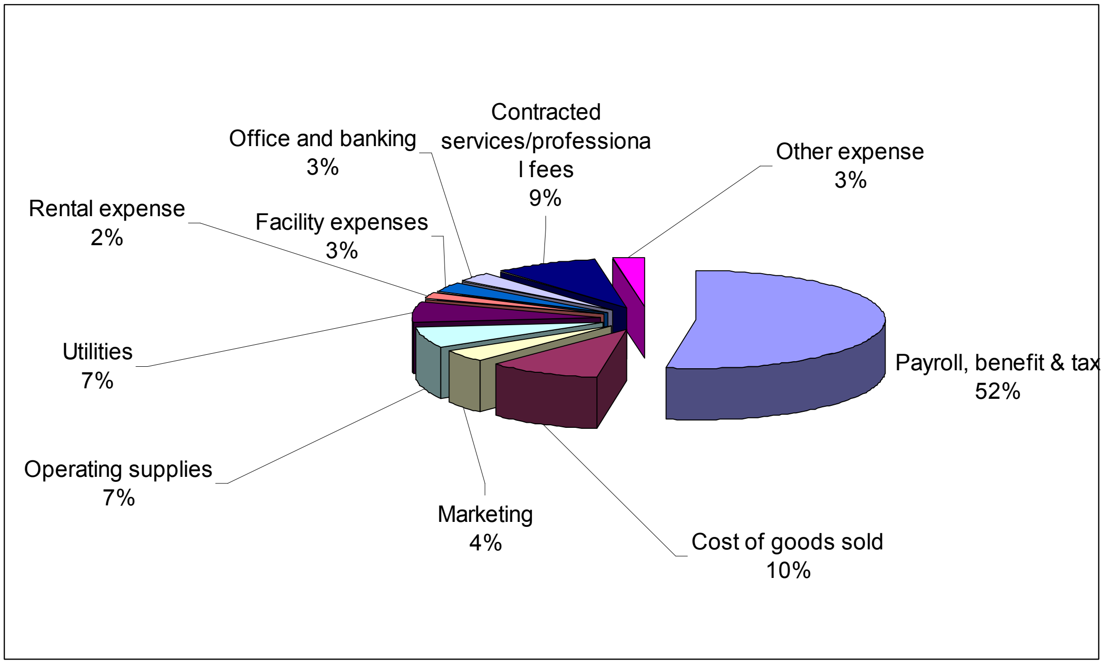
Operating revenues increased $1,105,000 in 2010 due primarily to improved facility rentals, catering and membership sales. Operating revenues increased $384,000 in 2009 due primarily to a return of the Chihuly exhibition.

Investment income decreased in 2010 and 2009 as the proceeds of collected capital contributions and bond proceeds were expended for construction costs.

Substantially all of the capital contributions represent Capital Campaign gifts for the Master Plan. The campaign was completed in 2009. A large verbal pledge for the Master Plan was recognized when it was received in 2010.

Expenses

The following chart shows the major categories of operating expenses for the year ended December 31, 2010.



The following schedule presents a summary of expenses for the fiscal years ended December 31, 2010, 2009 and 2008:

	2010	2009	2008
Payroll, benefit and tax	$ 3,061,636	$ 2,759,353	$ 2,833,028
Cost of goods sold	563,000	449,304	332,465
Marketing	237,484	262,677	219,378
Operating supplies	408,522	388,455	385,119
Utilities	383,640	383,338	373,349
Rental expense	115,272	123,777	278,461
Facility expenses	189,738	139,674	200,322
Office and banking	180,159	160,159	123,677
Contracted services & professional fees	526,587	518,071	206,262
Other expense	158,601	171,833	107,750
Total operating expenses	$ 5,824,639	$ 5,356,641	$ 5,059,811

Personnel expenses increased in 2010 as staff members previously assigned to the Master Plan returned to their operating positions. Personnel expenses decreased in 2009 due to an organizational restructuring, net of cost of living increases.

Marketing expenses decreased in 2010 and increased in 2009 due to the advertising related to the Chihuly exhibition which occurred mostly in 2009.

Café operations that were previously contracted to an outside vendor, were managed by the Conservatory beginning in July 2009. This change created an increase in cost of goods sold in 2009 and 2010.

Rental expense decreased in 2009 when the facility expansion was complete. Previously, the Conservatory rented tents to accommodate many events.

Office and banking has increased each year due to more prevalent use by customers of credit cards and higher postage costs.

Contract services and professional fees increased in 2009, due to consulting work related to the restructuring and a shared services management agreement.

Master plan expenses represent non-capitalizable soft costs related to the project. Because these expenses are directly related to the Master Plan Capital project and are not part of the ongoing operations of the facilities, they are not included in operating expenses.

FRANKLIN PARK CONSERVATORY
JOINT RECREATION DISTRICT

STATEMENTS OF NET ASSETS
AS OF DECEMBER 31, 2010 AND 2009

		2010	2009
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	$	343,717	425,536
Restricted cash and cash equivalents		1,011,943	779,628
Investments		5,434	4,968
Receivables, net of allowances of $22,424 and $31,776, respectively		1,733,953	1,862,351
Prepaids		32,640	162,909
Inventory		75,142	116,796
Total current assets		3,202,829	3,352,188
NONCURRENT ASSETS:			
Non-depreciable capital assets		3,620,103	3,592,850
Depreciable capital assets		24,324,063	24,132,303
Accumulated depreciation		(6,621,946)	(5,754,254)
Total capital assets—net of accumulated depreciation		21,322,220	21,970,899
Non-current receivables		1,572,019	2,816,837
Other noncurrent assets		179,540	170,555
Total noncurrent assets		23,073,779	24,958,291
TOTAL		26,276,608	28,310,479
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts payable		304,722	617,793
Deferred revenue and customer deposits		480,376	467,891
Accrued expenses		223,088	201,944
Note payable		750,000	940,000
Bonds payable		265,000	250,000
Total current liabilities		2,023,186	2,477,628
NONCURRENT LIABILITIES			
Bonds payable		4,645,000	6,610,000
Accrued vacation and sick		20,594	22,040
Total noncurrent liabilities		4,665,594	6,632,040
Total liabilities		6,688,780	9,109,668
NET ASSETS:			
Invested in capital assets—net of related debt		16,412,220	14,923,687
Restricted net assets:			
Columbus Foundation		173,707	165,722
Financial Sustainability		120,000	-
Capital projects		3,590,952	4,813,771
Endowments		88,158	87,803
Total restricted net assets		3,972,817	5,067,296
Unrestricted net assets (deficiency)		(797,209)	(790,172)
Total net assets		19,587,828	19,200,811
TOTAL	$	26,276,608	28,310,479

See accompanying notes to the basic financial statements.

FRANKLIN PARK CONSERVATORY
WOMEN'S SUSTAINING BOARD

STATEMENTS OF FINANCIAL POSITION - COMPONENT UNIT
AS OF DECEMBER 31, 2010 AND 2009

		2010	2009
ASSETS			
CURRENT ASSETS:			
Cash	$	56,402	41,818
Accounts receivable		1,525	14,250
Prepaid expenses		-	600
TOTAL		57,927	56,668
LIABILITIES AND NET ASSETS			
LIABILITIES:			
Accounts payable - Franklin Park Conservatory		25,850	35,801
Accrued deposits		-	5,200
TOTAL		25,850	41,001
NET ASSETS—Unrestricted net assets		32,077	15,667
Total net assets		32,077	15,667
TOTAL	$	57,927	56,668

See accompanying notes to the basic financial statements.

FRANKLIN PARK CONSERVATORY
JOINT RECREATION DISTRICT

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

		2010	2009
OPERATING REVENUES—Charges for goods and services	$	3,950,097	2,845,260
OPERATING EXPENSES:			
Payroll, benefit and tax		3,061,636	2,759,353
Cost of goods sold		563,000	449,304
Marketing		237,484	262,677
Operating supplies		408,522	388,455
Utilities		383,640	383,338
Rental expense		115,272	123,777
Facility expenses		189,738	139,674
Office and banking		180,159	160,159
Contracted services and professional fees		526,587	518,071
Other expense		158,601	171,833
Total operating expenses		5,824,639	5,356,641
OPERATING LOSS BEFORE DEPRECIATION		(1,874,542)	(2,511,381)
DEPRECIATION		945,435	788,849
OPERATING LOSS		(2,819,977)	(3,300,230)
NONOPERATING REVENUE (EXPENSES):			
Intergovernmental:			
City		350,000	100,000
County		475,000	475,000
Donations and grants		1,335,419	1,307,732
Investment income		3,577	23,939
Master Plan expense		(75,716)	(487,579)
Interest expense		(258,444)	(142,772)
Total nonoperating revenue (expenses)		1,829,836	1,276,320
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND EXTRAORDINARY ITEM		(990,141)	(2,023,910)
CAPITAL CONTRIBUTIONS		1,377,158	1,907,569
EXTRAORDINARY ITEM - Insurance recovery		-	157,847
CHANGE IN NET ASSETS		387,017	41,506
NET ASSETS—Beginning of year		19,200,811	19,159,305
NET ASSETS—End of year	$	19,587,828	19,200,811

See accompanying notes to the basic financial statements.

FRANKLIN PARK CONSERVATORY
WOMEN'S SUSTAINING BOARD

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - COMPONENT UNIT
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

		2010	2009
REVENUE AND SUPPORT:			
Fees	$	40,261	29,688
Donations		5,712	9,250
In-kind donations		20,069	66,618
Donated services		-	38,180
Membership		30,735	29,465
Special events		257,000	259,379
Interest		38	71
Total revenue and support		353,815	432,651
OPERATING EXPENSES:			
Program services		267,218	241,100
Management and general		6,932	6,975
Fundraising		63,255	175,914
Total operating expenses		337,405	423,989
CHANGES IN NET ASSETS		16,410	8,662
NET ASSETS:			
Beginning of year		15,667	7,005
End of year	$	32,077	15,667

See accompanying notes to the basic financial statements.

FRANKLIN PARK CONSERVATORY
JOINT RECREATION DISTRICT

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

		2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	$	3,863,559	2,996,328
Cash paid to employees		(3,035,390)	(2,812,351)
Cash paid to others		(2,689,526)	(2,880,576)
Net cash used in operating activities		(1,861,357)	(2,696,599)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Cash received from governmental entities		825,000	575,000
Cash received from donations and grants		1,334,953	1,309,812
Cash paid on noncapital Master Plan expenses		(75,716)	(487,579)
Cash provided by noncapital financing activities		2,084,237	1,397,233
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchases of property, plant, and equipment		(520,366)	(4,693,664)
Cash paid on notes		(190,000)	-
Cash received from insurance agencies		-	157,847
Cash paid on bonds		(1,950,000)	(240,000)
Contributed capital		2,849,397	3,863,222
Interest		(264,992)	(152,604)
Net cash provided (used) in capital and related financing activities		(75,961)	(1,065,199)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and dividends received on cash and investments		3,577	23,939
Net cash provided by investing activities		3,577	23,939
NET CHANGE IN CASH AND CASH EQUIVALENTS		150,496	(2,340,626)
CASH AND CASH EQUIVALENTS—Beginning of year		1,205,164	3,545,790
CASH AND CASH EQUIVALENTS—End of year (including restricted cash of $1,011,943 and $779,628)	$	1,355,660	1,205,164
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:			
Operating loss		(2,819,977)	(3,300,230)
Adjustments to reconcile loss from operations to net cash used in operating activities:			
Depreciation		945,435	788,849
(Increase) decrease in assets:			
Accounts receivable		(99,023)	(4,878)
Prepaids		130,269	(69,472)
Inventory and other assets		32,669	6,210
Increase (decrease) in liabilities:			
Accounts payable		(89,461)	(220,026)
Deferred revenue and customer deposits		12,485	155,946
Accrued expenses		26,246	(52,998)
NET CASH USED IN OPERATING ACTIVITIES	$	(1,861,357)	(2,696,599)

Non-cash items: Purchase of capital assets included in accounts payable of $4,300 and $223,610, in 2010 and 2009, respectively.
Contributed investments of $5,434 and $4,968, in 2010 and 2009, respectively.

See accompanying notes to the basic financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Franklin Park Conservatory Joint Recreation District (the "Conservatory") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

The City of Columbus (the "City") and Franklin County (the "County") agreed in 1990 to establish the Conservatory pursuant to the authority contained in Section 755.14 (B) of the Ohio Revised Code ("ORC") upon the conclusion of Ameriflora 1992, Inc.'s horticulture exposition held at Franklin Park Conservatory. In April 2007, the City and County entered into an amended and restated agreement regarding the Conservatory, pursuant to the authority contained in Section 755.14 (C) of the ORC. The new agreement allows the Conservatory to exist until July 31, 2057. However, the City and County may renew and extend the agreement for additional successive terms of 50 years, with the title to the Conservatory's assets reverting back to the City at the end of the agreement.

The Conservatory is governed by a 21-member board, eight of whom shall be appointed by the City of Columbus' Mayor subject to confirmation by the City Council and six appointed by Franklin County. The Governor, the Speaker of the House of Representatives, and the President of the Senate of the State of Ohio shall each appoint one member to the Conservatory board. State appointed members are non-voting members if they also serve as members of the Ohio General Assembly; no member presently serves both roles. Four members of the board are appointed by a majority of the existing board members.

The accompanying financial statements comply with the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 14, *The Financial Reporting Entity*, in that the financial statements include all organizations, activities, and functions for which the Conservatory is financially accountable. Financial accountability is defined as the appointment of a voting majority of a component unit's board and either (i) the Conservatory's ability to impose its will over a component unit, or (ii) the possibility that the component unit will provide a financial benefit or impose a financial burden on the Conservatory. On that basis, the reporting entity of the Conservatory includes the Friends of the Conservatory as a blended component unit.

GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, as amendment of GASB Statement No. 14* ("GASB 39") and implemented by the Conservatory effective January 1, 2004, further clarifies that certain organizations warrant an inclusion as part of the financial reporting entity because of the nature and significance of their relationship with the primary government, including ongoing financial support of the primary government. The Conservatory has determined that the Franklin Park Conservatory Women's Sustaining Board meets this definition and is therefore included as a discretely presented component unit in the Conservatory's financial statements.

Friends of the Conservatory—In July 1999, the Conservatory created Friends of the Conservatory ("Friends"), a separate legal not-for-profit corporation, in accordance with section 501(c)(3) of the Internal Revenue Code, to support the common good of the general public through the support and assistance of and cooperation with the Conservatory. Although it is legally separate from the Franklin Park Conservatory, Friends of the Conservatory is reported as if it were part of the primary government because its sole purpose is to promote the Conservatory and raise capital and solicit funds in support of the Conservatory.

Franklin Park Conservatory Women's Sustaining Board—In 1984, the Franklin Park Conservatory Women's Sustaining Board (the "Women's Board"), was organized to create awareness of the Conservatory, to provide support to the Conservatory and to broaden the base of support in the community for the Conservatory. The Women's Board is a legally separate not-for-profit organization in accordance with section 501(c)(3) of the Internal Revenue Code, and its financial statements are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles as prescribed by the Financial Accounting Standards Board guidance. The Women's Board is considered a discretely presented component unit of the Conservatory under GASB 39.

WOW! Collaborative—In 2002, Franklin Park Conservatory became a member of the WOW! Collaborative, five conservatories and botanical gardens joined together to create traveling exhibits. WOW! discontinued operations at the end of 2010.

Joint Venture—The arrangement between the City and the County establishing the Conservatory possesses the characteristics of an entity classified as a joint venture. The City contributed certain fixed assets to the Conservatory at the time of its inception and both the City and County have historically agreed to annual subsidies. In 2010, the subsidies were $1,925,000 including $1,100,000 which has been recorded as a capital contribution from the City. In 2009, the subsidies were $775,000, including $200,000 which has been recorded as a capital contribution from the City. This represents 26% and 11% of the Conservatory's 2010 and 2009 revenue and capital contributions, respectively. In the event of the Conservatory's liquidation, its assets will be transferred to the City. Based on the above, the Conservatory is a joint venture between the City and the County. Future capabilities of the Conservatory to operate at current service levels are dependent upon annual subsidiaries from the City and the County.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred. All transactions are accounted for in a single enterprise fund.

Revenues from charges for services are reported as operating revenues. Transactions, which are capital, financing, or investment related, are reported as non-operating revenues. Expenses from employee wages and benefits, purchases of services, materials and supplies, and other miscellaneous expenses are reported as operating expenses.

Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting,* the Conservatory follows GASB guidance as applicable to proprietary funds and FASB guidance issued on or before November 30, 1989, that do not conflict or contradict GASB pronouncements. The Conservatory has elected not to follow subsequent FASB guidance.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Conservatory considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Restricted cash and cash equivalents consist of cash and cash equivalents restricted for endowments, donor restrictions, and customer deposits.

The Governmental Accounting Standards Board Statement No. 31 (GASB 31), "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", requires that investments be recorded at their fair value and that changes in the fair value be reported in the operating statement. The Conservatory records all its investments at fair value, as required by Statement.

Inventory

All inventories are valued at cost using the average cost method.

Plant Collection

The Conservatory does not capitalize their plants. They are expensed as purchased. The plant collection is held for public exhibition and education, is protected, kept unencumbered, cared for, and preserved and is subject to a Conservatory policy that requires proceeds from sales of the plant collection be used to acquire other plant collections.

Capital Assets

Capital assets, which include property, plant and equipment, are capitalized at cost or estimated historical cost where no historical records exist. The Conservatory defines capital assets as those with an individual cost of more than $2,500. The Conservatory does not possess any infrastructure such as roads. Depreciation has been provided, where appropriate, using the straight-line method over useful lives ranging from 3 to 30 years.

Compensated Absences

The Conservatory follows GASB Statement No. 16, *Accounting for Compensated Absences*, which requires that a liability be accrued for vacation and sick leave if it is probable that the employee will be compensated through a cash payment.

Budgetary Accounting and Control

The Conservatory's annual budget is prepared on the accrual basis of accounting and approved by the Board of Directors. The budget includes anticipated amounts for current year revenues and expenses as well as new capital projects. The Conservatory maintains budgetary control by not permitting total operating expenses and expenditures for individual programs to exceed their respective budget amounts without the appropriate approvals. The Board is apprised bi-monthly of actual results compared to budget. All budget amounts lapse at year end.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Reclassifications

Certain amounts in the 2009 financial statements have been reclassified to conform with the 2010 presentation.

2. CASH AND INVESTMENTS

The investment and deposit of the Conservatory's monies are governed by the provisions of the Ohio Revised Code. In accordance with these statutes, the Conservatory is authorized to invest in United States and State of Ohio bonds, notes and other obligations, bank certificates of deposit, banker acceptances, commercial paper notes rated prime and issued by United States corporations, repurchase agreements secured by United States obligations, and STAROhio.

STAROhio is an investment pool managed by the State Treasurer's Office that 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 at which the investment could be redeemed.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" and amended by GASB Statement No. 40 "Deposit and Investment Risk Disclosures":

Deposits with Financial Institutions – At December 31, 2010, and 2009, the carrying amount of the Conservatory's deposits with financial institutions were $1,303,593 and $1,151,050, respectively, and the total bank balances were $1,285,415 and $1,149,407, respectively, with the differences being due to deposits in transit and outstanding checks. Custodial credit risk is the risk that in the event of a bank failure, the Conservatory's deposits may not be returned to it. Of the bank balances at December 31, 2010 and 2009, $1,285,415 and $587,803, respectively were covered by deposit insurance provided by FDIC, and $561,604 was exposed to custodial credit risk as of December 31, 2009 since it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Conservatory's name.

As of December 31, 2010 and 2009, the Conservatory's petty cash on hand was $11,145 and $10,445, respectively.

STAROhio – The Conservatory's investment in STAROhio is not evidenced by securities that exist in physical or book entry form. Investments in STAROhio were rated AAAm by Standard & Poor's. The Conservatory's investment balance with STAROhio was $40,922 and $43,668 at December 31, 2010 and 2009, respectively.

The Conservatory held shares of common stock that were gifted to the Conservatory in December 2010 and 2009. These shares with fair market values of $5,434 and $4,968 at December 31, 2010 and 2009, respectively, were sold in February 2011 and 2010, respectively.

3. CAPITAL ASSETS

Capital assets activity for the years ended December 31, 2010 and 2009 were as follows:

	Balance 12/31/09	Additions	Disposals	Balance 12/31/10
Nondepreciable:				
Land	$ 100,000	-	-	100,000
Art collections	3,492,850	-	-	3,492,850
Construction in progress	-	27,253	-	27,253
Subtotal	3,592,850	27,253	-	3,620,103
Depreciable:				
Buildings	18,128,948	-	-	18,128,948
Building improvements	4,931,689	6,800	(32,967)	4,905,522
Exhibits	-	186,864	-	186,864
Equipment and fixtures	1,018,576	89,616	(58,553)	1,049,639
Vehicles	53,090	-	-	53,090
Subtotal	24,132,303	283,280	(91,520)	24,324,063
Totals at historical cost	27,725,153	310,533	(91,520)	27,944,166
Less accumulated depreciation:				
Buildings	4,480,669	604,300	-	5,084,969
Building improvements	742,658	231,148	(20,033)	953,773
Exhibits	-	18,686	-	18,686
Equipment and fixtures	477,837	91,301	(57,710)	511,428
Vehicles	53,090	-	-	53,090
Total accumulated depreciation	5,754,254	945,435	(77,743)	6,621,946
Capital assets, net	$ 21,970,899	(634,902)	(13,777)	21,322,220

		Balance 12/31/08	Additions	Disposals	Balance 12/31/09
Nondepreciable:					
Land	$	100,000	-	-	100,000
Art collections		3,492,850	-	-	3,492,850
Construction in progress		1,907,270	3,910,184	(5,817,454)	-
Subtotal		5,500,120	3,910,184	(5,817,454)	3,592,850
Depreciable:					
Buildings		13,665,102	4,463,846	-	18,128,948
Building improvements		3,621,471	1,310,218	-	4,931,689
Equipment and fixtures		762,159	256,417	-	1,018,576
Vehicles		53,090	-	-	53,090
Subtotal		18,101,822	6,030,481	-	24,132,303
Totals at historical cost		23,601,942	9,940,665	(5,817,454)	27,725,153
Less accumulated depreciation:					
Buildings		3,950,729	529,940	-	4,480,669
Building improvements		553,214	189,444	-	742,658
Equipment and fixtures		409,694	68,143	-	477,837
Vehicles		51,768	1,322	-	53,090
Total accumulated depreciation		4,965,405	788,849	-	5,754,254
Capital assets, net	$	18,636,537	9,151,816	(5,817,454)	21,970,899

4. PENSION PLANS

All Conservatory employees are required to participate in the statewide Ohio Public Employees Retirement System ("OPERS"). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is 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. The Combined Plan is 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, but less than, 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. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2010, member and employer contribution rates were consistent across all three plans. The 2010 and 2009 member contribution rates were 10% of covered payroll for members in state and local classifications. The 2010 and 2009 employer contribution rate for state and local employers was 14% of covered payroll. Total contributions paid by the Conservatory were approximately $338,000, $354,000, and $365,000, in 2010, 2009, and 2008, respectively, which were equal to the required contributions each year.

5. POSTEMPLOYMENT BENEFITS

Plan Description
OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, 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-employment health care coverage, age-and-service retirees under the Traditional Pension and 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 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Funding Policy
The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, state and local employers contributed at a rate of 14.0% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for state and local employers. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of the post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 5.5% from January 1 through February 28, 2010 and 5.0% from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73% from January 1 through February 28, 2010, and 4.23% from March 1 through December 31, 2010. The OPERS Board of Trustees is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The portion of the Conservatory's contribution used to fund OPEB was approximately $122,000, $148,000 and $182,000 for 2010, 2009 and 2008, respectively.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased January 1 of each year from 2006 to 2008. These rate increases allowed additional funds to be allocated to the health care plan.

6. NOTES PAYABLE

The Conservatory has a revolving credit agreement of $750,000 with Fifth Third Bank for operations. The line matured on July 5, 2010 and with interest payable at LIBOR plus 5%, due monthly when the lines have been drawn. These borrowings are collateralized by all personal property.

During 2010, the line was transferred from Friends to Franklin Park Conservatory and renewed. The revolving credit agreement of $750,000 is essentially the same as the terms above. The line matures on July 5, 2011 and bears interest at LIBOR plus 3.85%. The outstanding balance at December 31, 2010 and 2009 was $750,000.

7. LONG-TERM OBLIGATIONS

Detail of the changes in bonds, notes and compensated absences of the Conservatory for the years ended December 31, 2010 and 2009, were as follows:

		Balance 12/31/09	Issued	Retired	Balance 12/31/10	Amount Due Within One Year
Variable-rate tax free bonds	$	6,860,000	-	(1,950,000)	4,910,000	265,000
0.0% Promissory note		190,000	-	(190,000)	-	-
Compensated absences		45,495	22,236	(24,277)	43,454	22,860
	$	7,095,495	22,236	(2,164,277)	4,953,454	287,860

		Balance 12/31/08	Issued	Retired	Balance 12/31/09	Amount Due Within One Year
Variable-rate tax free bonds	$	7,100,000	-	(240,000)	6,860,000	250,000
0.0% Promissory note		190,000	-	-	190,000	190,000
Compensated absences		80,835	13,310	(48,650)	45,495	23,455
	$	7,370,835	13,310	(288,650)	7,095,495	463,455

Bonds – During 2007, the Conservatory issued $7,100,000 of variable-rate tax-free bonds, through the Columbus-Franklin County Finance Authority. The proceeds of this issue are used for construction of new facilities. The bonds are secured by a letter of credit issued by a bank, and are redeemable prior to maturity at the option of the Conservatory.

In 2007, the Conservatory entered into pay-fixed, receive-variable interest rate swap agreements with a total notional amount of $5,600,000 to hedge the changes in fair value of the variable-rate, tax-free Series 2007 bonds. The Conservatory makes semiannual fixed payments to the counterparty that pay a rate of 3.85%, increasing to 3.98% by February 2014 when the swap agreements expire, and receives variable payments based on the weekly USD-BMA Municipal Swap Index. At December 31, 2010 and 2009, the fair value of the interest rate swaps were considered immaterial and were not recorded in the financial statements.

Interest Rate Risk. The Conservatory is exposed to interest rate risk on its interest rate swap agreements. On its pay-fixed, receive-variable interest rate swap, as the weekly USD-BMA Municipal Swap Index decreases, the Conservatory's net payment on the swap increases.

Basis Risk. The Conservatory is exposed to basis risk on its pay-fixed, receive-variable interest rate swap agreements because the variable rate payments received by the Conservatory on these hedging derivative instruments are based on an index other than the interest rates the Conservatory pays on its hedged variable-rate debt, which is remarketed weekly. As of December 31, 2010 and 2009, the weighted-average interest rate on the Conservatory's hedged variable-rate debt was 0.78% and 0.75%, respectively, while the USD-BMA Municipal Swap Index rate was 0.34% and 0.25% at December 31, 2010 and 2009, respectively.

Termination Risk. The Conservatory or its counterparty may terminate a derivative instrument if the other party fails to perform under the terms of the contract.

Rollover Risk. The Conservatory is exposed to rollover risk on hedging derivative instruments that are hedges of debt that mature or may be terminated prior to the maturity of the hedged debt. When these hedging derivative instruments terminate, or in the case of a termination option, if the counterparty exercises its option, the Conservatory will be re-exposed to the risks being hedged by the hedging derivative instrument. The Conservatory is exposed to rollover risk on the pay-fixed, receive-variable interest rate swap scheduled to mature in February 2014, because the hedged debt is scheduled to mature in June 2027.

Future maturities for the bonds, plus interest at the maximum rate of 10%, are as follows:

		Principal	Interest
2011	$	265,000	484,500
2012		275,000	457,750
2013		295,000	429,750
2014		305,000	400,000
2015		325,000	369,000
2016-2020		1,880,000	1,319,250
2021-2024		1,565,000	312,500
Total	$	4,910,000	3,772,750

Promissory Note – During 2005, Friends obtained a promissory note for $1,835,000 from a donor. The note automatically matured in December 2009. During 2009, the Conservatory received an extension for final payment, due December 2010. The outstanding balance at December 31, 2009 was $190,000. The balance of the note was paid in full during 2010.

8. COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the applicable fund. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Conservatory at December 31, 2010 and 2009.

9. RISK MANAGEMENT

The Conservatory maintains comprehensive insurance coverage with private carriers for real property, building contents, directors and officers' liability insurance and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. In addition, the Conservatory provides medical benefits to most of its employees on a fully insured basis with an independent insurance company. The premium rate is calculated based on claim history and administrative costs. The Conservatory is part of the state-wide plan for workers' compensation insurance coverage. There were no changes to the above policies during the current fiscal year. Claims experience over the past three years indicates that there were no instances of losses exceeding insurance coverage.

10. RESTRICTED NET ASSETS

In 1996, the Women's Sustaining Board created an Endowment Fund (the "Fund") for the Conservatory at the Columbus Foundation, an Ohio not-for-profit corporation. As of December 31, 2010 and 2009, the Fund has assets, recorded in other noncurrent assets, with a fair value of $173,707 and $165,722, respectively. The Fund is included in the Conservatory's financial statements.

In July 1999, the Conservatory created Friends of the Conservatory ("Friends"), a separate legal not-for-profit corporation, in accordance with section 501(c)(3) of the Internal Revenue Code, to support the common good of the general public through the support and assistance of and cooperation with the Conservatory. During 2005, Friends began raising support for the Conservatory's Master Plan. The Master Plan is a comprehensive strategic plan to promote programmatic and financial goals of the Conservatory. The support is donor restricted for use on the Master Plan. As of December 31, 2010 and 2009, net assets of $3,366,395 and $4,813,771, respectively, were restricted for this purpose. In addition, donor support was received in 2010 and restricted for other capital projects. As of December 31, 2010, $224,557 was restricted for this purpose.

In 2001, Annie's Fund for the Creative Arts created an Endowment Fund for the Conservatory in the form of a collection of Koi (Japanese carp) fish. All donations received for the endowment fund are reserved and, the interest is restricted for the care and support of these fish and their environment. At December 31, 2010 and 2009, the endowment was valued at $56,629 and $56,353, respectively.

In September 2006, the Growing to Green Endowment was established to support the annual program operations of the Conservatory's Growing to Green Program. At December 31, 2010 and 2009, the fund was valued at $31,529 and $31,450, respectively.

During 2010, the Conservatory launched the Financial Sustainability Campaign. $120,000 was received or pledged in 2010 for the purpose of improving working capital, establishing a facility fund, and retiring debt.

11. FRANKLIN PARK CONSERVATORY WOMEN'S SUSTAINING BOARD

Revenue Recognition – All contributions are considered to be available for unrestricted use unless restricted by the donor for specific purpose. Contributions received with donor-imposed restrictions are reported as temporarily restricted or permanently restricted support that increases those net asset classes. If a restriction in fulfilled in the same time period in which the contribution is received, the Women's Board reports the support as restricted with a corresponding release in restriction.

Net Assets – As of December 31, 2010 and 2009, the Women's Board had unrestricted net assets only.

Financial Statement Presentation – The Women's Board is required to disclose, on a functional basis, costs associated with each program. Substantially all of the expenses incurred by the Women's Board relate specifically to the Women's Board primary program, to provide donations in support of services to meet the needs of the Conservatory. Any expenses incurred which do not directly relate to this program are deemed immaterial for financial statement purposes and therefore, are not shown separately.

CLARK SCHAEFER HACKETT
STRENGTH IN NUMBERS

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees of the
Franklin Park Conservatory Joint Recreation District:

We have audited the financial statements of the Franklin Park Conservatory Joint Recreation District (the "Conservatory") as of and for the years ended December 31, 2010 and 2009 and have issued our report thereon dated March 29, 2011, which included a reference to other auditors who audited the financial statements of Franklin Park Conservatory Women's Sustaining Board, a discretely presented component unit of the Conservatory. 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Conservatory's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Conservatory's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Conservatory's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected in a timely basis.

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

Compliance And Other Matters

As part of obtaining reasonable assurance about whether the Conservatory's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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*.

We noted certain matters that we reported to management of the Conservatory in a separate letter dated March 29, 2011.

This report is intended solely for the information and use of management, the Board of Trustees, the Ohio Auditor of State and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
March 29, 2011

FRANKLIN PARK CONSERVATORY JOINT RECREATION DISTRICT

FRANKLIN 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
MAY 5, 2011