



**Auditor of State
Betty Montgomery**

**REGIONAL PLANNING COMMISSION
FAIRFIELD COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances Governmental and Fiduciary Fund Types - For the Year Ended December 31, 2003	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances Governmental and Fiduciary Fund Types - For the Year Ended December 31, 2002	4
Notes to the Financial Statements	5
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	9

THIS PAGE INTENTIONALLY LEFT BLANK



**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Regional Planning Commission
Fairfield County
210 East Main Street
Lancaster, Ohio 43130

To the Board of Commissioners:

We have audited the accompanying financial statements of the Regional Planning Commission, Fairfield County, Ohio, (the Commission), as of and for the years ended December 31, 2003, and December 31, 2002. These financial statements are the responsibility of the Commission'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 *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 described in Note 1, the Commission 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 reserve for encumbrances of the Regional Planning Commission, Fairfield County, Ohio, as of December 31, 2003 and December 31, 2002, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

As described in Note 2, the Commission restated the fund cash balances as of January 1, 2002 to properly report agency fund activity.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 20, 2004, on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

35 N. Fourth St. / Second Floor / Columbus, OH 43215
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199
www.auditor.state.oh.us

This report is intended solely for the information and use of management, the Board of Commissioners, and other officials authorized to receive this report under Section 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

April 20, 2004

**REGIONAL PLANNING COMMISSION
FAIRFIELD COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GOVERNMENTAL AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Agency Fund</u>	
Cash Receipts:			
Fees Charged to Subdivisions	\$144,432	\$0	\$144,432
Charges for Services	72,466	0	72,466
Permit Application Fees	<u>166,191</u>	<u>0</u>	<u>166,191</u>
Total Cash Receipts	383,089	0	383,089
Cash Disbursements:			
Salaries and Benefits	292,666	0	292,666
Supplies	2,465	0	2,465
Equipment	3,287	0	3,287
Contracts - Repair	2,314	0	2,314
Contracts - Services	148,878	0	148,878
Travel	<u>4,909</u>	<u>0</u>	<u>4,909</u>
Total Cash Disbursements	<u>454,519</u>	<u>0</u>	<u>454,519</u>
Total Receipts (Under) Disbursements	(71,430)	0	(71,430)
Other Financing Receipts:			
Other Sources	<u>0</u>	<u>146,000</u>	<u>146,000</u>
Total Other Financing Receipts	<u>0</u>	<u>146,000</u>	<u>146,000</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	(71,430)	146,000	74,570
Fund Cash Balances, January 1	<u>240,560</u>	<u>31,365</u>	<u>271,925</u>
Fund Cash Balances, December 31	<u>\$169,130</u>	<u>\$177,365</u>	<u>\$346,495</u>
Reserve for Encumbrances, December 31	<u>\$24,887</u>	<u>\$0</u>	<u>\$24,887</u>

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

**REGIONAL PLANNING COMMISSION
FAIRFIELD COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GOVERNMENTAL AND FIDUCIARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Agency Fund</u>	
Cash Receipts:			
Fees Charged to Subdivisions	\$145,818	\$0	\$145,818
Charges for Services	366,480	0	366,480
Permit Application Fees	<u>105,132</u>	<u>0</u>	<u>105,132</u>
Total Cash Receipts	617,430	0	617,430
Cash Disbursements:			
Salaries and Benefits	247,941	0	247,941
Supplies	3,025	0	3,025
Equipment	5,671	0	5,671
Contracts - Repair	2,014	0	2,014
Contracts - Services	435,172	0	435,172
Travel	3,048	0	3,048
Other	<u>332</u>	<u>0</u>	<u>332</u>
Total Cash Disbursements	<u>697,203</u>	<u>0</u>	<u>697,203</u>
Total Receipts (Under) Disbursements	(79,773)	0	(79,773)
Other Financing Receipts/(Disbursements):			
Other Sources	0	31,365	31,365
Other Uses	<u>0</u>	<u>(12,000)</u>	<u>(12,000)</u>
Total Other Financing Receipts/(Disbursements)	<u>0</u>	<u>19,365</u>	<u>19,365</u>
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements	(79,773)	19,365	(60,408)
Fund Cash Balances, January 1 (as restated - see Note 2)	<u>320,333</u>	<u>12,000</u>	<u>332,333</u>
Fund Cash Balances, December 31	<u>\$240,560</u>	<u>\$31,365</u>	<u>\$271,925</u>
Reserve for Encumbrances, December 31	<u>\$97,211</u>	<u>\$0</u>	<u>\$97,211</u>

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

**REGIONAL PLANNING COMMISSION
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Regional Planning Commission, Fairfield County, Ohio, (the Commission) 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 Commission is directed by a 56 member Board. The Board consists of appointed members from each municipality and township within the County. The Commission provides services to townships and municipalities in creating zoning regulations and reviewing subdivision plans to ensure the lots are in accordance with zoning regulations and in accordance with other laws within the County and/or Township. The participating subdivisions are:

Fairfield County	Pleasant Township	Carroll Village
Amanda Township	Richland Township	Baltimore Village
Berne Township	Rush Creek Township	Pleasantville Village
Bloom Township	Violet Township	Rushville Village
Clear Creek Township	Walnut Township	West Rushville Village
Greenfield Township	Amanda Village	Bremen Village
Hocking Township	Sugar Grove Village	Pickerington City
Lancaster City	Canal Winchester Village	Millersport Village
Liberty Township	Lithopolis Village	Thurston Village
Madison Township	Stoutsville Village	

The Commission's management believes these financial statements present all activities for which the Commission 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

As required by Ohio Revised Code, the Fairfield County Treasurer is the custodian of the Commission's monies. The Commission's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount.

D. Fund Accounting

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

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.

**REGIONAL PLANNING COMMISSION
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

Fiduciary Fund (Agency Fund)

This fund is used to account for funds which the Commission is acting in an agency capacity. The Commission had the following significant Fiduciary Fund:

Developer Bond Fund

This fund is used to account for cash bonds received by developers. Upon completion of a subdivision, the bonds are returned to the developer.

E. Budgetary Process

The Commission adopts a budget annually.

Appropriations

The Board annually approves appropriations and subsequent amendments. Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control. Unencumbered appropriations lapse at year end.

Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1.

Encumbrances

The Commission reserves (encumbers) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2003 and 2002 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

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

G. Unpaid Vacation and Sick Leave

The Commission's 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 basis of accounting used by the Commission.

**REGIONAL PLANNING COMMISSION
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(CONTINUED)**

2. RESTATEMENT OF PRIOR YEAR FUND BALANCE

In the prior year, cash received and held from developers in the form of bonds was improperly reported in the General Fund. This activity should have been reported in an Agency Fund. The correction caused a change in the excess of revenues and other financing sources over (under) expenditures and other uses for the year ended December 31, 2001 as follows:

	General Fund	Agency Fund
Excess as previously reported	\$14,888	\$0
Restatement to properly report agency activity	(12,000)	12,000
Restated amount for the year ended December 31, 2001	\$2,888	\$12,000

The restatement had the following effect on the cash fund balance on December 31, 2001, as previously reported:

	General Fund	Agency Fund
Amount as previously reported	\$332,333	\$0
Restatement to properly report agency activity	(12,000)	12,000
Restated cash fund balance as of January 1, 2002	\$320,333	\$12,000

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2003 and 2002 follows:

2003 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$411,000	\$383,089	(\$27,911)

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$505,891	\$479,406	\$26,485

**REGIONAL PLANNING COMMISSION
FAIRFIELD COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002
(CONTINUED)**

3. BUDGETARY ACTIVITY (Continued)

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$559,000	\$617,430	\$58,430

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$848,007	\$794,414	\$53,593

4. RETIREMENT SYSTEM

The Commission's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The 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 2002 and 2003, OPERS members contributed 8.5% of their gross salaries. The Commission contributed an amount equal to 13.55% of participants' gross salaries through December 31, 2003. The Commission has paid all contributions required through December 31, 2003.

5. RISK MANAGEMENT

The Commission is included in Fairfield County's commercial insurance policies for the following risks:

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

The Commission also provides health insurance and vision coverage to full-time employees through the County's policy.



**Auditor of State
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

Regional Planning Commission
Fairfield County
210 East Main Street
Lancaster, Ohio 43130

To the Board of Commissioners:

We have audited the financial statements of the Regional Planning Commission, Fairfield County, Ohio (the Commission) as of and for the years ended December 31, 2003, and December 31, 2002, and have issued our report thereon dated April 20, 2004, wherein we noted the Commission restated cash fund balance as of January 1, 2002 to properly report agency fund activity. 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.

Compliance

As part of obtaining reasonable assurance about whether the Commission'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*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Commission'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 a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Commission in a separate letter dated April 20, 2004.

35 N. Fourth St. / Second Floor / Columbus, OH 43215
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199
www.auditor.state.oh.us

This report is intended for the information and use of management and the Board of 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 that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

April 20, 2004



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

FAIRFIELD COUNTY REGIONAL PLANNING COMMISSION

FAIRFIELD 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 11, 2004**