



**DELAWARE REGIONAL PLANNING COMMISSION
DELAWARE COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006



Mary Taylor, CPA
Auditor of State

**DELAWARE REGIONAL PLANNING COMMISSION
DELAWARE COUNTY**

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Mary Taylor, CPA
Auditor of State

Delaware County Regional Planning Commission
Delaware County
109 North Sandusky Street
Delaware, OH 43015

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 Commission 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 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.

A handwritten signature in black ink that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

May 20, 2008

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Delaware County Regional Planning Commission
Delaware County
109 North Sandusky Street
Delaware, OH 43015

To the Board of Commissioners:

We have audited the accompanying financial statements of the Delaware Regional Planning Commission, Delaware County, Ohio, (the Commission) as of and for the years ended December 31, 2007 and 2006. 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 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 Commission 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 Commission's larger (i.e. major) funds separately. While the Commission 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 Commissions to reformat their statements. The Commission 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 Commission 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 fund cash balances of the Delaware Regional Planning Commission, Delaware County, Ohio, 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 Commission 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 May 20, 2008, 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 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.



Mary Taylor, CPA
Auditor of State

May 20, 2008

**DELAWARE COUNTY REGIONAL PLANNING COMMISSION
DELAWARE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL AND AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>General</u>	<u>Agency</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts:			
Development Fees	\$ 113,106	\$ 7,790	\$ 120,896
Fees Charged to Subdivisions	235,269	-	235,269
Contractual Services	15,307	-	15,307
Other Receipts	4,143	-	4,143
	<u>367,825</u>	<u>7,790</u>	<u>375,615</u>
Total Cash Receipts			
Cash Disbursements:			
Salaries	333,600	-	333,600
Supplies	4,889	-	4,889
Contracts - Repair	95	-	95
Contracts - Services	25,680	-	25,680
Travel	1,831	-	1,831
Public Employee's Retirement	38,050	-	38,050
Worker's Compensation	3,832	-	3,832
Other	19,549	7,790	27,339
	<u>427,526</u>	<u>7,790</u>	<u>435,316</u>
Total Disbursements			
Total Receipts Over/(Under) Disbursements	(59,701)	-	(59,701)
Fund Cash Balances, January 1	<u>108,057</u>	<u>150</u>	<u>108,207</u>
Fund Cash Balances, December 31	<u>\$ 48,356</u>	<u>\$ 150</u>	<u>\$ 48,506</u>
Reserve for Encumbrances, December 31	<u>\$ 1,746</u>	<u>\$ -</u>	<u>\$ 1,746</u>

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

**DELAWARE COUNTY REGIONAL PLANNING COMMISSION
DELAWARE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL AND AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>General</u>	<u>Agency</u>	<u>Totals (Memorandum Only)</u>
Cash Receipts:			
Development Fees	\$ 297,248	\$ 36,368	\$ 333,616
Fees Charged to Subdivisions	231,246	-	231,246
Contractual Services	17,542	-	17,542
Other Receipts	10,941	-	10,941
	<u>556,977</u>	<u>36,368</u>	<u>593,345</u>
Total Cash Receipts			
Cash Disbursements:			
Salaries	366,637	-	366,637
Supplies	4,717	-	4,717
Contracts-Repair	151	-	151
Contracts - Services	50,936	-	50,936
Travel	2,051	-	2,051
Public Employee's Retirement	40,418	-	40,418
Worker's Compensation	5,542	-	5,542
Other	12,889	36,218	49,107
	<u>483,341</u>	<u>36,218</u>	<u>519,559</u>
Total Disbursements			
Total Receipts Over/(Under) Disbursements	73,636	150	73,786
Fund Cash Balances, January 1	34,421	-	34,421
Fund Cash Balances, December 31	<u>\$ 108,057</u>	<u>\$ 150</u>	<u>\$ 108,207</u>
Reserve for Encumbrances, December 31	<u>\$ 3,549</u>	<u>\$ -</u>	<u>\$ 3,549</u>

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

**DELAWARE COUNTY REGIONAL PLANNING COMMISSION
DELAWARE 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 for the Delaware County Regional Planning Commission, Delaware County, Ohio, (the Commission) as a body corporate and politic. A five (5) member Board governs the Commission. The Board consists of representatives from participating political subdivisions, the county commissioners, and appointed citizens. The Commission formulates and reviews plans affecting long and short term social, economic, and governmental development within the region. The participating subdivisions are:

Berkshire Township	Berlin Township	Brown Township
Concord Township	Delaware Township	Genoa Township
Harlem Township	Kingston Township	Liberty Township
Marlboro Township	Orange Township	Oxford Township
Porter Township	Radnor Township	Scioto Township
Thompson Township	Trenton Township	Troy Township
Dublin City	Village of Galena	Village of Sunbury
Village of Shawneehills	City of Powell	Village of Ashley
Village of Ostrander		

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

As the Ohio Revised Code permits, the Delaware County Treasurer holds the Commission's cash as the Commission's custodian. The County holds the Commission's assets in its investment pool, valued at the County Treasurer's reported carrying amount.

**DELAWARE COUNTY REGIONAL PLANNING COMMISSION
DELAWARE COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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:

1. General Fund

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

2. Agency Fund

This fund accounts for resources for which the Commission is acting in an agency capacity.

E. Budgetary Process

1. Appropriations

The Board annually approves appropriations and subsequent amendments.

The Board annually approves appropriations and subsequent amendments. Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the object level of control. 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.

3. Encumbrances

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

F. Property, Plant, and Equipment

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

G. Accumulated Leave

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

**DELAWARE COUNTY REGIONAL PLANNING COMMISSION
DELAWARE COUNTY**

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

2. BUDGETARY ACTIVITY

Budgetary Activity for the years ending December 31, 2007 and December 31, 2006, follows:

2007 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$367,825	\$367,825	\$0

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$509,250	\$429,272	\$79,978

2006 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$557,126	\$557,126	\$0

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$609,906	\$486,890	\$123,016

3. RETIREMENT SYSTEM

The Ohio Public Employees Retirement System (OPERS) is a state operated, cost-sharing, multiple employer public employee retirement system. The Ohio Revised Code prescribes retirement benefits for vested employees who are eligible to retire based upon years of service. OPERS also provides survivor and disability benefits to vested employees as the Ohio Revised Code prescribes.

The Ohio Revised Code also prescribes contribution rates. The Commission's OPERS members contributed 9.5 percent in 2007 and 9.0 percent in 2006 of their gross salaries. The Commission contributed an amount equal to 13.85 percent in 2007 and 13.70 percent in 2006 of participants' gross salaries. The Commission has paid all contributions required through December 31, 2007.

**DELAWARE COUNTY REGIONAL PLANNING COMMISSION
DELAWARE COUNTY**

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

4. RISK MANAGEMENT

Commercial Insurance

The Commission has obtained commercial insurance for the following risks:

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



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*

Delaware County Regional Planning Commission
Delaware County
109 North Sandusky Street
Delaware, Ohio 43015

To the Board of Commissioners:

We have audited the financial statements of the Delaware County Regional Planning Commission, Delaware County, Ohio, (the Commission) as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated May 20, 2008, wherein we noted the Commission 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 Commission'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 Commission's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Commission's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider a significant deficiency.

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 Commission'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 Commission's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider the following deficiency described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting: 2007-001.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. However, we believe the finding noted above is also a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the Commission'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*.

The Commission's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the Commission's response and, accordingly, we express no opinion on it.

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



Mary Taylor, CPA
Auditor of State

May 20, 2008

**DELAWARE COUNTY REGIONAL PLANNING COMMISSION
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007 AND 2006**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2007-001

Financial Reporting - Significant Deficiency and Material Weakness

Sound financial reporting is the responsibility of the fiscal officer and governing board and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

The following audit adjustments were made to the December 31, 2007 financial statements and posted to the Commission's accounting ledgers:

1. An adjustment was made in the amount of \$7,790 to record development fee receipts collected by the Commission on behalf of the Delaware County Health District and Soil and Water Department that were recorded as a reduction of revenue upon distribution instead of an expense.
2. An adjustment was made in the amount of \$115,779 to increase the General Fund beginning balance and decrease the Agency Fund Beginning balance to agree to the prior year financial statements.

The following audit adjustments were made to the December 31, 2006 financial statements and posted to the Commission's accounting ledgers:

3. An adjustment was made in the amount of \$36,218 to record development fee receipts collected by the Commission on behalf of the Delaware County Health District and Soil and Water Department that were recorded as a reduction of revenue upon distribution instead of an expense.
4. An adjustment was made in the amount of \$115,779 to increase the General Fund beginning balance and decrease the Agency Fund Beginning balance to agree to the prior year financial statements.

The adjustments identified above should be reviewed by the fiscal officer to ensure that similar errors are not reported on the financial statements in subsequent years. In addition, the Commission should adopt policies and procedures, including a final review of the financial statements and note disclosures by the fiscal officer and governing board, to identify and correct errors and omissions.

Officials' Response:

The Regional Planning Commission understands the adjustment and will make sure all subsequent yearly financial statements follow the same procedure in recording those development fees.

**DELAWARE COUNTY REGIONAL PLANNING COMMISSION
DELAWARE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2007, AND 2006**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2005-001	Subdivision Fee payment	Yes	



Mary Taylor, CPA
Auditor of State

DELAWARE COUNTY REGIONAL PLANNING COMMISSION

DELAWARE COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 24, 2008**