



Dave Yost • Auditor of State



**LUC REGIONAL PLANNING COMMISSION  
LOGAN COUNTY**

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

LUC Regional Planning Commission  
Logan County  
9676 Foundry Road  
P.O. Box 219  
East Liberty, Ohio 43319

To the Board of Commissioners:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements and related notes of LUC Regional Planning Commission, Logan County, (the Commission) as of and for the years ended December 31, 2013 and 2012.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Commission's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 1 of the financial statements, the Commission prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Commission as of December 31, 2013 and 2012, or changes in financial position thereof for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of LUC Regional Planning Commission, Logan County as of December 31, 2013 and 2012, and its cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2014 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.



**Dave Yost**  
Auditor of State

Columbus, Ohio

April 24, 2014

**LUC REGIONAL PLANNING COMMISSION  
LOGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGE IN FUND BALANCE (CASH BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<b>General</b>
<b>Cash Receipts:</b>	
Fees Charged to Subdivisions	\$186,819
Plats (Preliminary and Final)	41,000
Contractual Services	33,287
Investment Income	4,874
Other Receipts	2,820
Total Cash Receipts	268,800
 <b>Cash Disbursements:</b>	
<b>Current:</b>	
<b>Economic Development:</b>	
Salaries	146,563
Supplies	4,232
Equipment	875
Annual Meeting Expenses	2,452
Utilities	9,447
Travel	5,491
Public Employee's Retirement	20,386
Worker's Compensation	1,820
Medicare	2,083
Hospital/Life Insurance	6,008
Building	2,181
Professional Development	3,643
Other	3,974
Total Disbursements	209,155
Excess of Receipts Over (Under) Disbursements	59,645
Fund Cash Balance, January 1	262,212
 <b>Fund Cash Balance, December 31:</b>	
Unassigned	321,857
Fund Cash Balance, December 31	\$321,857

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

**LUC REGIONAL PLANNING COMMISSION  
LOGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGE IN FUND BALANCE (CASH BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<b>General</b>
<b>Cash Receipts:</b>	
Fees Charged to Subdivisions	\$185,453
Plats (Preliminary and Final)	7,800
Contractual Services	43,106
Investment Income	4,386
Other Receipts	2,885
Total Cash Receipts	243,630
 <b>Cash Disbursements:</b>	
<b>Current:</b>	
<b>Economic Development:</b>	
Salaries	124,081
Supplies	4,791
Equipment	981
Annual Meeting Expenses	2,998
Utilities	9,147
Travel	4,246
Public Employee's Retirement	15,699
Medicare	1,781
Hospital/Life Insurance	6,106
Building	3,066
Professional Development	4,404
Other	3,282
Total Disbursements	180,582
 Excess of Receipts Over (Under) Disbursements	 63,048
 Fund Cash Balance, January 1	 199,164
 <b>Fund Cash Balance, December 31:</b>	
Unassigned	262,212
 Fund Cash Balance, December 31	 \$262,212

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



**LUC REGIONAL PLANNING COMMISSION  
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012**

**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 LUC Regional Planning Commission (the Commission) as a body corporate and politic. A 28 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. In addition, the Commission is the subdivision platting authority for Logan, Union and Champaign Counties. Hence, the Commission reviews and (dis)approves preliminary and final subdivision plats. The Commission is also required by the Ohio Revised Code to review and make recommendations on zoning amendments in the unincorporated areas of the counties.

On January 1, 2012, Union County became the fiscal agent for the Commission. In 2013, the participating subdivisions were:

**Member Municipalities/Counties**

Bellefontaine	Valley Hi	Milford Center
Russells Point	West Liberty	Richwood
DeGraff	West Mansfield	Unionville Center
Quincy	Logan County	Union County
Huntsville	Dublin	Christiansburg
Lakeview	Marysville	Mechanicsburg
Urbana	St. Paris	North Lewisburg
Woodstock	Champaign County	

**Member Townships**

Bokescreek	Allen	Adams
Harrison	Claibourne	Goshen
Jefferson	Darby	Harrison
Lake	Dover	Jackson
Liberty	Jerome	Johnson
Miami	Leesburg	Mad River
Monroe	Liberty	Rush
Perry	Millcreek	Salem
Pleasant	Paris	Urbana
Stokes	Taylor	Wayne
Union	Union	York
Washington	Washington	

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

LUC REGIONAL PLANNING COMMISSION  
LOGAN COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)

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

**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. Deposits and Investments**

As the Ohio Revised Code permits, the Union County Treasurer holds the Commission's deposits as the Commission's custodian. The County holds the Commission's assets in its investment pool, valued at the 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 only has a General Fund type.

**General Fund**

The General Fund accounts for and reports all financial resources.

**E. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the Commission must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**1. Non-spendable**

The Commission classifies assets as *non-spendable* when legally or contractually required to maintain the amounts intact.

**2. Restricted**

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

**3. Committed**

The Board can *commit* amounts via formal action (resolution). The Commission must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

**LUC REGIONAL PLANNING COMMISSION  
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)**

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

**4. Assigned**

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Commission Board or a Commission official delegated that authority by resolution, or by State Statute.

**5. Unassigned**

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Commission applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**F. Budgetary Process**

The Commission budgets its fund annually. Budgetary activity for 2013 and 2012 is presented in Note 2.

**1. Appropriations**

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

**2. Estimated Resources**

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

**3. Encumbrances**

The Commission reserves (encumbers) appropriations when individual commitments are made. Encumbrances outstanding at year end are cancelled and reappropriated in the subsequent year.

**G. 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.

**H. 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.

**LUC REGIONAL PLANNING COMMISSION  
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012  
(Continued)**

**2. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2013 and 2012 follows:

<b>2013 Budgeted vs. Actual Receipts</b>			
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$226,928	\$268,800	\$41,872

<b>2013 Budgeted vs. Actual Budgetary Basis Expenditures</b>			
<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$224,520	\$209,155	\$15,365

<b>2012 Budgeted vs. Actual Receipts</b>			
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$226,776	\$243,630	\$16,854

<b>2012 Budgeted vs. Actual Budgetary Basis Expenditures</b>			
<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$225,903	\$180,582	\$45,321

**3. RETIREMENT SYSTEMS**

The Commission's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2013 and 2012, OPERS members contributed 10%, of their gross salaries and the Commission contributed an amount equaling 14%, of participants' gross salaries. The Commission has paid all contributions required through December 31, 2013.

**4. RISK MANAGEMENT**

**Commercial Insurance**

The Commission has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Director's Liability

The Commission's full-time employees are provided the option of coverage under health and life insurance plans obtained through Union County.



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

LUC Regional Planning Commission  
Logan County  
9676 Foundry Road  
P.O. Box 219  
East Liberty, Ohio 43319

To the Board of Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the LUC Regional Planning Commission, Logan County, (the Commission) as of and for the years ended 2013 and 2012, and the related notes to the financial statements, and have issued our report thereon dated April 24, 2014 wherein we noted the Commission followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permit.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Commission's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Commission's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

### ***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, opining 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*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

**Dave Yost**  
Auditor of State

Columbus, Ohio

April 24, 2014



# Dave Yost • Auditor of State

**LUC REGIONAL PLANNING COMMISSION**

**LOGAN 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 13, 2014**