



**PORTAGE REGIONAL PLANNING COMMISSION  
PORTAGE COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 1999-1998**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**PORTAGE REGIONAL PLANNING COMMISSION  
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## REPORT OF INDEPENDENT ACCOUNTANTS

Portage Regional Planning Commission  
Portage County  
128 North Prospect Street  
Ravenna, Ohio 44266

To the Board of Commissioners:

We have audited the accompanying financial statements of the Portage Regional Planning Commission, Portage County, Ohio, (the Commission) as of and for the years ended December 31, 1999 and 1998. 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 generally accepted auditing standards 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 discussed 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 balance and reserve for encumbrances of the Commission as of December 31, 1999 and 1998, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2000, 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.

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 § 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, appearing to read "Jim Petro".

**Jim Petro**  
Auditor of State

June 19, 2000

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**PORTAGE REGIONAL PLANNING COMMISSION  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGE IN FUND CASH BALANCE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Type</u>
	<u>General</u>
<b>Cash Receipts:</b>	
Membership Dues	\$118,474
Grants	86,887
Contractual Services	25,660
Other Receipts	80,253
	311,274
<b>Cash Disbursements:</b>	
Salaries	195,260
Fringe and Health Benefits	18,704
Supplies	6,241
Equipment	5,959
Contracts - Repair	2,589
Contracts - Services	21,472
Travel	3,049
Public Employee's Retirement	26,457
Worker's Compensation	5,974
Debt Payment (loan to County)	14,128
Other	30,293
	330,126
Total Receipts (Under) Disbursements	(18,852)
Fund Cash Balances, January 1	43,895
<b>Fund Cash Balances, December 31</b>	<b>\$25,043</b>
Reserve for Encumbrances, December 31	\$10,698

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

**PORTAGE REGIONAL PLANNING COMMISSION  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGE IN FUND CASH BALANCE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 1998**

**Governmental Fund Type**

**General**

**Cash Receipts:**

Membership Dues	\$123,219
Grants	102,299
Contractual Services	45,570
Other Receipts	65,677
	65,677
Total Cash Receipts	336,765

**Cash Disbursements:**

Salaries	184,380
Fringe and Health Benefits	22,484
Supplies	6,694
Equipment	16,860
Contracts - Repair	1,000
Contracts - Services	38,419
Rentals	7,376
Travel	926
Public Employee's Retirement	24,848
Worker's Compensation	5,761
Unemployment Compensation	1,625
Other	34,343
	34,343
Total Disbursements	344,716

Total Receipts Over Disbursements	(7,951)
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Excess of Cash Receipts and Other Financing Receipts (Under) Cash Disbursements	(7,951)
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Fund Cash Balances, January 1	51,846
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<b>Fund Cash Balances, December 31</b>	<b>\$43,895</b>
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Reserve for Encumbrances, December 31	\$9,624
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*The notes to the financial statements are an integral part of this statement.*

**PORTAGE REGIONAL PLANNING COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Portage Regional Planning Commission became a Countywide Public Planning Organization on February 13, 1984 and evolved from the Portage Planning Commission. The Planning Commission operates under Section 713.21, Ohio Revised Code for Regional Planning Commissions. The Planning Commission is comprised of 29 voting members and 6 ex-officio members who are charged with the responsibilities of comprehensive planning and implementation programs for Portage County and its communities. The Planning Commission employs professional staff to provide them with assistance and advice in carrying out their responsibilities and also consults with other professionals such as the County Engineer, County Sanitary Engineer, Health Dept., and the Soil and Water Conservation District staff.

The Regional Planning Commission also serves in an advisory capacity to Community decision makers who rely on the data, analyses and planning recommendation which are provided. This helps them make the best decisions possible on issues which can forever alter the character and quality of life within the community.

The Planning Commission also serves as a forum for discussion and sharing of ideas and information among communities about individual community issues, countywide issues that affect many communities and regional issues which cross over political boundaries into other Counties. When it is critical that the needs and concerns of Portage County be heard at the Regional, State or Federal level, the Planning Commission's unified position and voice carries considerable weight in other actions.

The Planning Commission is a Jointly Governed Organization of Portage County, with the Portage County Auditor being the fiscal agent. The Planning Commission is not part of the Portage County reporting entity and is excluded from Portage County's financial statements. The Planning Commission is not fiscally dependent on the county. The county is not financially accountable for the Planning Commission beyond the duties stated above.

The Commission formulates and reviews plans affecting long and short term social, economic, and governmental development within the region. The participating subdivisions are:

Atwater Township	Aurora City	Brady Lake Village
Brimfield Township	Deerfield Township	Edinburg Township
Franklin Township	Freedom Township	Garrettsville Village
Hiram Township	Hiram Village	Kent City
Mantua Township	Mantua Village	Nelson Township
Palmyra Township	Paris Township	Randolph Township
Rootstown Township	Ravenna Township	Shalersville Township
Suffield Township	Portage County Commissioners	

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

**PORTAGE REGIONAL PLANNING COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

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

**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.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and Investments**

As required by Ohio Revised Code, the Commission's cash is held and invested by the Portage County Treasurer, who is the custodian for Commission 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 fund into the following:

**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.

**E. Budgetary Process**

The Commission budgets each fund annually.

**1. Appropriations**

The Board annually approves appropriation measures 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.

**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.

A summary of 1999 and 1998 budgetary activity appears in Note 2.

**PORTAGE REGIONAL PLANNING COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1999 AND 1998  
(Continued)**

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

**F. Property, Plant and Equipment**

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

**G. Unpaid Vacation and Sick Leave**

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.

**2. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 1999 and 1998 follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$346,825	\$311,274	(\$35,551)
Total	<u>\$346,825</u>	<u>\$311,274</u>	<u>(\$35,551)</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$354,551	\$340,824	\$13,727
Total	<u>\$354,551</u>	<u>\$340,824</u>	<u>\$13,727</u>

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$316,533	\$336,765	\$20,232
Total	<u>\$316,533</u>	<u>\$336,765</u>	<u>\$20,232</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$357,744	\$354,340	\$3,404
Total	<u>\$357,744</u>	<u>\$354,340</u>	<u>\$3,404</u>

**PORTAGE REGIONAL PLANNING COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999 AND 1998**  
**(Continued)**

**3. DEBT OBLIGATIONS**

On December 18, 1998, the Commission purchased property at 122-128 N. Prospect Street, Ravenna, Ohio, 44266. It was acquired through the Portage County Commissioners with a loan from the USDA. This loan, in a total amount of \$326,000 is to be repaid at 4.75% interest over 25 years. During 1999, the Commission borrowed \$161,031.27 against this loan, and paid \$14,128.13 in principal and interest. Payments are due December 1 of each year.

**4. RETIREMENT SYSTEMS**

The Commission's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This 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 1999 and 1998, PERS members contributed 8.5% of their gross salaries. The Commission contributed an amount equal to 13.55 % of participants' gross salaries. The Commission has paid all contributions required through December 31, 1999.

**5. RISK MANAGEMENT**

The Commission has obtained commercial insurance for the following risks:

- Business Personal Property
- General Liability Coverage
- General Property Coverage
- Hired and Non-owned Automobile Liability



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

Portage Regional Planning Commission  
Portage County  
128 North Prospect Street  
Ravenna, Ohio 44266

To the Board of Commissioners:

We have audited the financial statements of Portage Regional Planning Commission, Portage County, Ohio (the Commission), as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated June 19, 2000. We conducted our audit in accordance with generally accepted auditing standards 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.

This report is intended for the information and use of management, 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, appearing to read "Jim Petro".

**Jim Petro**  
Auditor of State

June 19, 2000





STATE OF OHIO  
OFFICE OF THE AUDITOR

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**REGIONAL PLANNING COMMISSION**

**PORTAGE 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  
JULY 18, 2000**