

RICHLAND COUNTY TRANSIT BOARD

AUDITED FINANCIAL STATEMENTS  
AND  
AUDITORS' REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2000





**STATE OF OHIO**  
**OFFICE OF THE AUDITOR**  

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**JIM PETRO, AUDITOR OF STATE**

35 North Fourth Street, 1<sup>st</sup> Floor  
Columbus, Ohio 43215  
Telephone 614-466-4514  
800-282-0370  
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Richland County Transit Board  
Mansfield, Ohio

We have reviewed the Independent Auditor's Report of the Richland County Transit Board, Richland County, prepared by Guillan & Company, for the audit period January 1, 2000 to December 31, 2000. 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 Richland County Transit Board is responsible for compliance with these laws and regulations.

**JIM PETRO**  
Auditor of State

July 16, 2001

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RICHLAND COUNTY TRANSIT BOARD  
DECEMBER 31, 2000

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RICHLAND COUNTY TRANSIT BOARD  
35 NORTH PARK STREET  
MANSFIELD, OHIO 44902  
DECEMBER 31, 2000

APPOINTED OFFICIALS

OFFICIAL

APPOINTED DATES

Joseph B. Polhemus  
(Chairperson)

1/1/00 to 12/31/03

Florentine Dearman

1/1/98 to 12/31/00

Lee Preston

1/1/99 to 12/31/02

Dan Martin

1/1/00 to 12/31/03

Joan Reeder

1/1/00 to 12/31/03

Jeff Delianides

1/1/98 to 12/31/00

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# ***Guillan & Company***

## **Independent Auditor's Report**

Richland County Transit Board  
Mansfield, Ohio

We have audited the accompanying general-purpose financial statements of the Richland County Transit Board, as of and for the year ended December 31, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Richland County Transit Board's management. Our responsibility is to express an opinion on these general-purpose 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Richland County Transit Board, as of December 31, 2000, and the results of its operations and the cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated June 7, 2001 on our consideration of the Richland County Transit Board's internal control over financial reporting and our tests of its compliance with certain provision 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.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of Richland County Transit Board, taken as a whole. The accompanying schedule of expenditures of federal awards and Schedules 1, 2, and 3 are presented for purposes of additional analysis as required by U.S. Office of

**Richland County Transit Board  
Mansfield, Ohio**

Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

June 7, 2001

*Guillan & Company*

RICHLAND COUNTY TRANSIT BOARD  
BALANCE SHEET  
DECEMBER 31, 2000

**ASSETS**

Current Assets

Cash in Treasury	\$ 10,674
Due from Federal Sources	57,679
Due from State Sources	206
Due From Local Governments	1,709
Due from TMR	155,048
Other Receivables	<u>31,170</u>

Total Current Assets 256,486

Property and Equipment	5,443,353
Less: Accumulated Depreciation (Note E)	<u>(1,476,767)</u>

Net Property and Equipment 3,966,586

**Total Assets \$ 4,223,072**

**LIABILITIES AND RETAINED EARNINGS**

Liabilities

Due to the Richland Co. Planning Commission	\$ 13,593
Other Payables	54,249
Unapplied Local Government Funds (Note D)	<u>188,644</u>

Total Liabilities 256,486

Retained Earnings

Investment in Transit Property	<u>3,966,586</u>
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**Total Liabilities and Retained Earnings \$ 4,223,072**

The accompanying notes are an integral part of these financial statements.

RICHLAND COUNTY TRANSIT BOARD  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS  
FOR THE YEAR ENDED DECEMEBR 31, 2000

**REVENUES**

Federal Grant Funds	\$	769,083
State Grant Funds		276,955
Local Government Funds		237,244
Coordinating Revenue		67,357
In-Kind Service		55,753
Lease Revenue		19,037
Transit System Revenue:		
Farebox Receipts		120,502
Local Special Fare Assistance		76,032
Advertising		16,210
Miscellaneous		249
<b>Total Revenues</b>		1,638,422

**EXPENSES**

Purchased Services:		
System Operators - TMR		630,788
Richland Co. Regional Planning Commission		94,393
Coordinating		162,097
Board Members Compensation		8,353
Professional Services		104,534
Equipment and Supplies		81,114
Depreciation		193,092
Fuel		70,202
Insurance		34,046
Miscellaneous		117,943
<b>Total Expenses</b>		1,496,562

Net Income		141,860
Retained Earnings - January 1, 2000		3,824,726
<b>Retained Earnings - December 31, 2000</b>	<b>\$</b>	<b>3,966,586</b>

The accompanying notes are an integral part of these financial statements.

RICHLAND COUNTY TRANSIT BOARD  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMEBR 31, 2000

Cash Flows from Operating Activities:

Net Income \$ 141,860

Depreciation 193,092

(Increase) Decrease in Current Assets:

    Due from Federal Sources (12,096)

    Other Receivables (25,248)

    Due From State Sources 3,616

    Due From TMR 138,540

Increase (Decrease) in Current Liabilities:

    Other Payables 19,208

    Unearned Revenues (4,295)

    Unapplied Local Government Funds (117,032)

Net Cash Provided By Operating Activities 337,645

Cash Flows from Capital Activities:

    Capital Assets Acquisitions (368,009)

Net Decrease in Cash (30,364)

Cash - January 1, 2000 41,038

**Cash - December 31, 2000** **\$ 10,674**

The accompanying notes are an integral part of these financial statements.

RICHLAND COUNTY TRANSIT BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000

NOTE A: SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been designed to facilitate an understanding of the financial position and results of operations of the Richland County Transit Board (RCTB). The financial information contained in these statements is the responsibility of RCTB and is in agreement with that reflected in the accounting books and records of RCTB, including adjustments proposed by the independent accountant and accepted by the RCTB.

1. Description of the Entity - The Richland County Transit Board was created pursuant to Sections 306.30 through 306.53, inclusive of the Ohio Revised Code, for the purpose of providing public transportation in the Richland County metropolitan area. The Transit Board operates under an appointed Board (6 members) that is responsible for the provision of public transportation to residents of the Transit Board.
2. Basis of Accounting - The Richland County Transit Board's financial records are maintained on the accrual basis of accounting. Revenues and related assets are recognized when earned, and expenditures are recognized when an obligation is incurred. This basis of accounting is similar to that of the proprietary fund types.
3. Receivables - Amounts due to RCTB are accrued when legally enforceable claims arise. See Notes B, C, and D for more discussion on receivables involving government funds.
4. Fixed Assets and Depreciation - Fixed assets are stated at cost and depreciated using the straight line method over their estimated useful lives. The estimated lives range from 5 to 40 years. See Note E for more detail.
5. Unapplied Local Government Funds - Funds provided by local governments to support RCTB's transit system operations and capital improvement programs are applied to current revenue as needed for local matching requirements. The unapplied balance is treated as revenue designated for future periods to be utilized as required. See Note D for more detail.
6. Cash and Investments - The Richland County Auditor acts as fiscal agent for the RCTB and the County Treasurer maintains a cash and investment pool used by all county funds. The RCTB's portion of this pool is displayed on the Balance Sheet as "Cash in Treasury" on Page 1 of the report.

RICHLAND COUNTY TRANSIT BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000  
(Continued)

NOTE A: SIGNIFICANT ACCOUNTING POLICIES (Continued)

At year end, the carrying amount on the county auditor's records for the RCTB's fund balance was \$10,674 and the balance in the county treasury was \$10,674.

The Richland County Treasurer, as fiscal agent, also carries out the responsibility of securing adequate collateral to cover all public funds on deposit, through federal depository insurance and by collateral held by third party trustees pursuant to Section 135.181, Revised Code.

NOTE B: FEDERAL GRANT FUNDS

RCTB receives a substantial portion of its funding under an operating assistance grant with United States Department of Transportation. In addition to the operating assistance grant, RCTB was also awarded a capital assistance grant by FTA to assist in the purchase of transit property. FTA is funding transit planning under a separate planning assistance grant. Schedules 1 and 2 present, respectively, the computation of earned FTA operating assistance and planning assistance grants for the fiscal year. Schedule 3 presents the cumulative capital project cost for the FTA capital assistance grant from the grant approval date through December 31, 2000.

Following is a summary of the earned FTA grant funds by project along with the status of each as of December.

<u>Project Number</u>	<u>Earned Grant</u>	<u>Due from Federal Sources</u>
Operating Assistance		
OH90-4317	\$ 21,605	\$ -
OH90-4345	338,000	28,574
Planning Assistance		
OH90-2317	39,776	-
OH90-2345	99,158	14,929

RICHLAND COUNTY TRANSIT BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000  
(Continued)

NOTE B: FEDERAL GRANT FUNDS (Continued)

Capital Assistance		
OH90-0277	4,638	-
OH90-0297	7,857	-
OH90-0317	20,053	-
OH90-0345	150,000	7,857
OH90-0196	15,277	1,651
OH90-8345	<u>56,003</u>	<u>4,668</u>
Totals	<u>\$ 752,367</u>	<u>\$ 57,679</u>

NOTE C: STATE GRANT FUNDS - ODOT

The Ohio Department of Transportation (ODOT) provided funding for RCTB under five different grant programs. Three of the grant programs related directly to the federal counterparts, i.e., operating assistance, planning assistance, and capital assistance. The remaining grant programs provide funding through the Ohio Elderly and Handicapped (E&H) Transit Fare Assistance and Ohio Coordination Assistance Programs. The E&H funds are based on a formula determined by the grantor and applied to the applicants prior year actual miles. The coordination grant funds are provided to assist in the establishing of a transit coordinator.

The following is a summary of the status of State Grant Funds as of December 31, 2000.

	<u>For the Year Ended</u> <u>December 31, 2000</u>	
<u>Project Number</u>	<u>Earned Grant</u>	<u>Due from State</u> <u>Sources</u>
Operating Assistance		
OH-90-4345	\$ 139,057	\$ -
Ohio Elderly and Handicapped Transit Fare Assistance		
EHTA-0070-000-001	19,537	-



RICHLAND COUNTY TRANSIT BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000  
(Continued)

NOTE C: STATE GRANT FUNDS – ODOT (Continued)

State Coordinating Assistance		
CRD-4070-000-001	33,000	-
OH-81-9001	10,000	-
Capital Assistance		
OH-90-0196	719	206
OH-90-0317	<u>80,213</u>	<u>-</u>
Total	<u>\$282,526</u>	<u>\$ 206</u>

NOTE D: LOCAL GOVERNMENT FUNDS

RCTB received funds for its transit operations from Richland County, City of Mansfield, City of Shelby, and the Village of Ontario during the current year. As discussed in Note A, these local government funds are applied as current year revenue on a required basis to satisfy Federal and State grant requirements. The following schedule reflects the amount available from these governments, the amount applied to current operations, and the unapplied amounts carried over for future operations.

Unapplied funds, January 1, 2000	\$340,414
Funds provided during the period	
Richland County	44,000
City of Mansfield	102,000
City of Shelby	5,505
Village of Ontario	<u>15,000</u>
Total Funds Provided	<u>166,505</u>
Total funds available	506,919
Less: revenue applied	<u>318,275</u>
Unapplied funds, December 31, 2000	<u>\$ 188,644</u>

RICHLAND COUNTY TRANSIT BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2000  
(Continued)

NOTE E: TANGIBLE TRANSIT OPERATING PROPERTY

The following schedule reflects changes in the tangible transit operating property reflected in the financial statements.

	<u>ASSETS</u>			<u>BALANCE</u> <u>12/31/00</u>
	<u>BALANCE</u> <u>12/31/99</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	
Land	\$ 1,052,683	\$ -	\$ -	\$1,052,683
Building	2,352,808	100,486	-	2,453,294
Office Equipment	76,783	-	-	76,783
Operating Equipment	<u>1,626,127</u>	<u>234,466</u>	<u>-</u>	<u>1,860,593</u>
<b>TOTALS</b>	<b><u>\$ 5,108,401</u></b>	<b><u>\$ 334,952</u></b>	<b><u>\$ -</u></b>	<b><u>\$5,443,353</u></b>

ACCUMULATED DEPRECIATION

	<u>BALANCE</u> <u>12/31/99</u>	<u>CURRENT</u> <u>PROVISION</u>	<u>BALANCE</u> <u>12/31/00</u>	<u>REPORT VALUE</u> <u>12/31/00</u>
	Land	\$ -	\$ -	\$ -
Building	625,261	86,160	711,421	1,741,873
Office Equipment	47,065	5,414	52,479	24,304
Operating Equipment	<u>611,349</u>	<u>101,518</u>	<u>712,867</u>	<u>1,147,726</u>
<b>TOTALS</b>	<b><u>\$ 1,283,675</u></b>	<b><u>\$ 193,092</u></b>	<b><u>\$ 1,476,767</u></b>	<b><u>\$ 3,966,586</u></b>

NOTE F: LEASE AGREEMENT

The Richland County Transit Board is a party to a lease agreement with Bridgestone/Firestone, Inc. for the use of tires on the Transit Board's buses. The agreement with Bridgestone/Firestone, Inc. was competitively bid and entered into on April 1, 1994 for three years. During 1999, the agreement was extended for two more years. The rates charged on the use of the tires vary depending on the type of tire used and the actual miles put on them.

NOTE G: RISK MANAGEMENT

The Richland County Transit Board is a member of the Ohio Transit Insurance Pool (OTIP), a self-insurance pool created under Chapter 2744 of the Ohio Revised Code. There has been no significant reductions in insurance coverage from the prior period and settlement costs have not exceeded insurance coverage in any of the past three years.

RICHLAND COUNTY TRANSIT BOARD  
COMPUTATION OF FEDERAL GRANT - OPERATING ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2000

**SCHEDULE 1**

PROJECT # OH90-4317/OH90-4345

Operating Expenses (No ineligible or questioned costs)	\$	884,497
Revenues applied to eligible operating expenses not included as local share:		<u>176,964</u>
Net Project Cost		707,533
Local Share:		
State Operating Assistance		139,057
State Special Fare Assistance		19,537
Advertising		16,210
Leases		19,037
Local Government Revenue		153,838
Other Revenue		<u>249</u>
Total Local Share		<u>347,928</u>
Deficit before applying FTA Assistance		<u><u>359,605</u></u>
Federal Assistance Available:		
Project Funds Received during the Year:		331,031
Project Funds Receivable at 12/31/00:		<u>28,574</u>
Total Federal Assistance Available		<u><u>359,605</u></u>
Federal Funds Due to/ (from) Grantee	\$	<u><u>-</u></u>



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RICHLAND COUNTY TRANSIT BOARD  
COMPUTATION OF FEDERAL GRANT - CAPITAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2000

**SCHEDULE 3**

PROJECT #	OH90-0277	OH90-0297
 <u>PROJECT COSTS:</u>		
Capital Acquisitions	\$ 11,199	\$ 7,857
 LESS:		
State Share	-	-
Local Share	-	-
	-	-
Total Project Costs	11,199	7,857
 Federal Assistance Available:		
Project Funds Received during the Year:	11,199	7,857
Project Funds Receivable at 12/31/00:	-	-
	-	-
Total Federal Assistance Available	11,199	7,857
 Federal Funds Due to/ (from) Grantee		
	\$ -	\$ -

<u>OH90-0317</u>	<u>OH90-0345</u>	<u>OH90-0196</u>	<u>OH90-08345</u>	<u>TOTAL</u>
\$ 111,018	\$ 150,000	16,554	56,003	\$ 352,631
(80,213)	-	(719)	-	(80,932)
-	-	-	-	-
<u>30,805</u>	<u>150,000</u>	<u>15,835</u>	<u>56,003</u>	<u>271,699</u>
30,805	142,143	14,184	51,335	257,523
-	7,857	1,651	4,668	14,176
<u>30,805</u>	<u>150,000</u>	<u>15,835</u>	<u>56,003</u>	<u>271,699</u>
\$ -	\$ -	\$ -	\$ -	\$ -

RICHLAND COUNTY TRANSIT BOARD  
RICHLAND COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2000

<u>Federal Grantor/ Sub-Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Program or Award Amount</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Urban Mass Transportation Administration	20.507		
Operating Assistance		OH90-4317 OH90-4345	\$ 461,372 338,000
Total Operating Assistance			
Planning Assistance		OH90-2317 OH90-2345	\$ 136,000 140,000
Total Planning Assistance			
Capital Assistance		OH90-0277 OH90-0297 OH90-0317 OH90-0345 OH90-0196 OH90-8345	\$ 148,900 459,000 239,200 150,000 14,000 56,000
Total Capital Assistance			
Total U.S. Department of Transportation			
Total Federal Financial Assistance (A)			

(A) Schedule is presented on a cash basis. Federal Financial Assistance is determined to be on a first-in, first-out basis.



<u>Balance</u> <u>1/1/00</u>	<u>Federal</u> <u>Receipts</u>	<u>Federal</u> <u>Disbursements</u>	<u>Balance</u> <u>12/31/00</u>
\$ (8,634)	\$ 30,239	\$ 21,605	\$ -
<u>-</u>	<u>309,426</u>	<u>338,000</u>	<u>(28,574)</u>
(8,634)	339,665	359,605	(28,574)
(27,753)	67,529	39,776	-
<u>-</u>	<u>84,229</u>	<u>99,158</u>	<u>(14,929)</u>
(27,753)	151,758	138,934	(14,929)
(6,561)	11,199	4,638	-
-	7,857	7,857	-
(10,752)	30,805	20,053	-
-	142,143	150,000	(7,857)
(558)	14,184	15,277	(1,651)
<u>-</u>	<u>51,335</u>	<u>56,003</u>	<u>(4,668)</u>
<u>(17,871)</u>	<u>257,523</u>	<u>253,828</u>	<u>(14,176)</u>
<u>(54,258)</u>	<u>748,946</u>	<u>752,367</u>	<u>(57,679)</u>
<u>\$ (54,258)</u>	<u>\$ 748,946</u>	<u>\$ 752,367</u>	<u>\$ (57,679)</u>

# ***Guillan & Company***

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

Richland County Transit Board  
Mansfield, Ohio

We have audited the financial statements of the Richland County Transit Board as of and for the year ended December 31, 2000, and have issued our report thereon dated June 7, 2001. 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 Richland County Transit Board'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 Richland County Transit Board'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 in 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.

**Richland County Transit Board  
Mansfield, Ohio**

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 the audit committee, management and federal awarding agencies and pass-through entities and is not intended to be used by anyone other than these specified parties.

June 7, 2001

*Guillan & Company*

# ***Guillan & Company***

## **REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Richland County Transit Board  
Mansfield, Ohio

### **Compliance**

We have audited the compliance of the Richland County Transit Board with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2000. The Transit Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Transit Board's management. Our responsibility is to express an opinion on the Transit Board's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Transit Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Transit Board's compliance with those requirements.

In our opinion, Richland County Transit Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2000.

**Richland County Transit Board  
Mansfield, Ohio**

**Internal Control Over Compliance**

The management of the Richland County Transit Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Transit Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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 in the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws regulations, contracts, and grants that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the audit committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

June 7, 2001

*Guillan & Company*

RICHLAND COUNTY TRANSIT BOARD  
MANSFIELD, OHIO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
DECEMBER 31, 2000

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Richland County Transit Board.
2. No reportable conditions were disclosed during the audit of the financial statements of the Richland County Transit Board.
3. No instances of noncompliance material to the financial statements of the Richland County Transit Board were disclosed during the audit.
4. No reportable conditions were disclosed during the audit of the major federal award programs.
5. The auditor's report on compliance for the major federal award programs for the Richland County Transit Board expresses an unqualified opinion.
6. No audit findings relative to the major programs for the Richland County Transit Board were disclosed during the audit.
7. The programs tested as major included: Urban Mass Transportation Administration (20.507).
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Richland County Transit Board was determined to be a low-risk auditee.

**B. FINDINGS - FINANCIAL STATEMENT AUDIT**

none

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

none

RICHLAND COUNTY TRANSIT BOARD  
MANSFIELD, OHIO

GENERAL COMMENTS

The audit report, including citations and recommendations, was reviewed with and acknowledged by the following official on June 7, 2001 :

Fiscal Officer: Mike Wackerly

This official was informed that he had five working days for the Auditor of State and sixty days for the federal government from the date of the post audit conference to respond to, or contest, in writing, the contents of this report. No such response was received.

Transit Board personnel were cooperative and available for questions and assistance during regular working hours.







STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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800-282-0370  
Facsimile 614-466-4490

**RICHLAND COUNTY TRANSIT BOARD**

**RICHLAND 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 31, 2001**