



Mid-Ohio Regional Planning Commission  
Columbus, Ohio

Comprehensive  
Annual  
Financial Report

**2002**

FISCAL YEAR ENDED DECEMBER 31, 2002





**Auditor of State  
Betty Montgomery**

To the Members  
Mid-Ohio Regional Planning Commission  
Columbus, Ohio

We have reviewed the Independent Auditor's Report of the Mid-Ohio Regional Planning Commission, Franklin County, prepared by Deloitte & Touche LLP, for the audit period January 1, 2002 through December 31, 2002. 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 Mid-Ohio Regional Planning Commission is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY  
Auditor of State

July 25, 2003

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR  
FISCAL YEAR ENDED DECEMBER 31, 2002**

Prepared by

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Mid-Ohio Regional Planning Commission  
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# MID-OHIO REGIONAL PLANNING COMMISSION

## Table of Contents

	<b>Page</b>
<b>I. Introductory Section:</b>	
Letter of Transmittal	1
Regional Pledge	18
GFOA Certificate of Achievement	19
Organizational Chart – Staff	20
Organizational Chart – Board	21
<b>II. Financial Section:</b>	
Financial Statements:	
Independent Auditors' Report	23
Balance Sheets	25
Statements of Revenue, Expenses and Changes in Retained Earnings	26
Statements of Cash Flows	27
Notes to the Financial Statements	28
Additional Information:	
Schedule of Revenue and Expenses – Budget and Actual	37
Details of Indirect Cost Allocation	38
Details of Fringe Benefits Allocation	41
Details of Cumulative Revenue and Expenses and Computation of Project Grants on Federal Transportation Projects Completed 2002	42
Schedule of Costs by Subcategory for Federal Transportation Grants Completed in 2002	44
<b>III. Statistical Section (Unaudited)</b>	
Estimated Population by Member Jurisdiction Used for Per Capita Membership Fees (Unaudited)	45
Schedule of Revenue, Expenses, and Changes in Retained Earnings – Last Ten Fiscal Years (Unaudited)	47
Schedule of Insurance Coverage (Unaudited)	48
Area in Square Miles by Member Jurisdiction (Unaudited)	50
Benefits of Membership – Flow of Funds, Fiscal Year 2002 (July 2001 to June 2002) (Unaudited)	51
<b>IV. Single Audit Act Section:</b>	
Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	53
Independent Auditors' Report on Compliance With Requirements Applicable to Each Major Program, Internal Control Over Compliance and Schedule of Expenditures of Federal Awards	55
Schedule of Expenditures of Federal Awards	57
Notes to Schedule of Expenditures of Federal Awards	59
Schedule of Findings and Questioned Costs	60

## **I. INTRODUCTORY SECTION**





## Mid-Ohio Regional Planning Commission

*An association of local governments providing planning, programs and services for the region.*

May 20, 2003

To the Citizens of Central and South-Central Ohio and  
The Honorable Members of the Mid-Ohio Regional Planning Commission

We are pleased to present the Comprehensive Annual Financial Report of the Mid-Ohio Regional Planning Commission (MORPC) for the year ended December 31, 2002. This report has been prepared by the MORPC finance staff according to generally accepted accounting principles applicable to governmental entities. The management of MORPC is responsible for and affirms the adequacy of the agency's internal accounting control and the completeness of the material presented in this report.

The Comprehensive Annual Financial Report is organized in four major sections as follows:

**Nancy M. White**  
Chair

**Richard L. (Ike) Stage**  
Vice Chair

**Virginia Barney**  
Secretary

**Bill Habig**  
Executive Director

- I. The Introduction - transmittal letter and information about MORPC's organization and management and the reporting entity.
- II. The Financial Section - MORPC's financial statements and the report of independent accountants.
- III. The Statistical Section - comparative financial information, demographic information and other statistical information.
- IV. The Single Audit Act Section - schedule of expenditures of federal awards and the independent accountant's reports on compliance with laws and regulations and internal accounting and administrative controls.

The report will be available on MORPC's website [www.morpc.org](http://www.morpc.org).

The Mid-Ohio Regional Planning Commission was created in 1969 as the successor to the Franklin County Regional Planning Commission under authority granted by Ohio Revised Code Section 713.21. MORPC is a voluntary association of local governments in central and south central Ohio and a regional planning agency whose membership includes 41 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Pickaway, Madison, Licking, and Fairfield counties, Ohio. MORPC is the federally designated Metropolitan Planning Organization (MPO) for the Columbus metropolitan area.

The member governments appoint representatives (currently 78) who make up the Commission, the policy-making body of the organization, and the oversight board. MORPC is a political subdivision of Ohio and is exempt from federal income tax

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under Section 501(c)(3) of the Internal Revenue Code. Employees of MORPC are members of the Ohio Public Employee Retirement System.

In accordance with Statement of Governmental Accounting Standards 14, *The Financial Reporting Entity*, MORPC is not considered a component unit of the Franklin County financial reporting entity because:

- MORPC is a separate legal entity, established under Section 713.21 of the Ohio Revised Code (ORC).
- Franklin County appoints 10 of 78 members of MORPC's governing board.
- MORPC is not fiscally dependent on Franklin County.
- MORPC provides services to members outside of Franklin County.

There are no agencies or organizations, which could be considered potential component units of MORPC.

MORPC's mission is summarized as follows:

*To enhance the quality of life and competitive advantages of the region by working through local governments and other constituents. The Commission's many purposes are to:*

1. *Increase and enhance regional partnerships with public and private organizations that affect the quality of life for central Ohio and encourage community participation;*
2. *Administer and facilitate availability of regional environmental infrastructure program funding to the full advantage of MORPC's members;*
3. *Improve the general and economic quality of life of central Ohio residents by enhancing the mobility of people and goods throughout the region;*
4. *Encourage resource conservation through protection and preservation of our natural environment and natural resources;*
5. *Develop programs and strategies to improve employee morale and create effective management practices;*
6. *Improve the quality of life for member communities by improving the housing conditions for residents through housing and weatherization services; encouraging homeownership opportunities; and contributing to the expansion of affordable housing in central Ohio;*
7. *Promote and support Livability/Sustainability measures as a means of address regional growth challenges.*

*MORPC plays an important role in promoting cooperation and building unity among its constituents, serving as a forum for state and local governments on regional issues, and helping to advocate local governments' interests and needs on the federal and state levels. MORPC continues to recognize and encourage public/private cooperation on a regional basis, and works to build consensus, sound planning practices and realistic decision-making for the future.*

The work program is fully documented in formally adopted semiannual performance/goals/ budget reports and monthly goals reports.

## **MAJOR INITIATIVES, OPPORTUNITIES AND CHALLENGES**

The Mid-Ohio Regional Planning Commission is always challenged in its mission to serve as a voluntary regional forum, but has also been blessed with numerous opportunities and strong community participation. MORPC continues taking the initiative to convene the community around the regional issues of the day. Based on demographic projections our region will grow by 500,000 people by 2025, providing many new opportunities and challenges.

### **Seven County Regional Growth Strategy**

The Regional Growth Strategy is an ambitious project that will lead to an action plan to guide future growth in central Ohio. The goal of the project is to encourage regional decision making about quality of life issues by using quantitative tools like Geographical Information Systems (GIS) mapping technology, land use and transportation thoroughfare plans, and regional economic analysis to craft a true picture of growth patterns and their impact on a community's landscape and tax base. From this regional context, local decision makers will have the ability to more accurately evaluate the long-term impacts of their development decisions.

In 2002, MORPC began the initial phase of the Regional Growth Strategy by conducting quarterly visits with county commissioners, county seat mayors and chambers of commerce. These visits yielded a monthly issues report and much input on the nature of central Ohio's growth challenges. These discussions also provided the framework for the project and the basis for the seven county public involvement program that will kick off in 2003.

The Regional Growth Strategy is a dynamic concept of regional collaboration and local action. The methods and strategies will continue to evolve as regional stakeholders take ownership of the process and determine where their interests fit within the larger picture.

### **Regional Cooperation and Growth Scorecard**

Last year, local planners started using a new tool to evaluate local development proposals as part of a pilot project to help gauge the quality of development occurring within their borders.

The Regional Cooperation and Growth Scorecard consists of 25 elements that local planning officials grade on an academic grade point scale. The elements are designed to award points for efficient land use that meets local and regional needs such as utilizing existing infrastructure and reducing storm water run off. The idea for the project was planted following Columbus Mayor Michael Coleman's Congestion Summit held in January 2001.

Columbus, Westerville and Grove City were among the first communities that agreed to use the Scorecard during the one-year pilot period. MORPC has encouraged communities to experiment with using the Scorecard, and intends to improve upon the Scorecard after the pilot period. MORPC plans to re-introduce the updated Scorecard for a broader application by January 2004.

### **Freight Case Study**

MORPC participated as a case study in the Ohio Department of Transportation's Freight Impacts on Ohio's Roadway System project. This study focused on the movement of freight within and throughout Ohio. MORPC's case study investigated the possibility of linking a national freight movements database to its travel demand model. The data collected in the study demonstrated the synergy that exists between various modes of freight travel, and highlighted the significance of central Ohio's intermodal connectors.

### **U.S. Route 33 Study**

MORPC worked with Ohio Department of Transportation District 5 on the U.S. Route 33 Access Management Study to determine the feasibility of converting a 12-mile section of U.S. Route 33 to an interstate look-alike facility. This section stretches from Hamilton Road in Franklin County to Winchester Road in Fairfield County near the Lancaster Bypass, an area that has experienced increased commuter and truck traffic, congestion and accidents in the past decade.

In 2002, MORPC initiated the Major Investment Study (MIS) of the corridor. The MIS reviews the impact of implementing transit and other travel modes, demand management strategies, and transportation system management strategies in the corridor. It also examines the impacts of interchange and overpass locations on the local street system, and identifies surface street improvements that may be necessary to support and complement the interchange and overpass locations. The MIS will address whether U.S. Route 33 can maintain the current four lanes and configuration of the two existing interchanges or whether additional lanes or interchange improvements are needed.

### **Transportation-Oriented Development Projects Completed**

In 2002, MORPC completed a pair of Transit-Oriented Development (TOD) projects as follow up to previous TOD work. The TOD Education Project aimed to raise awareness of TOD among local professionals in planning and development-related fields. Development styles that support transit were discussed in a professional workshop and a series of presentations to local planning commissions.

Concurrently, the TOD Regional Demonstration Project developed conceptual TOD designs for potential transit rail locations in different types of settings around the region. The conceptual designs were presented to focus groups of local residents to: obtain a better understanding of local travel choices, discover individuals' understanding of the relationship between development styles and transportation options, and solicit local reactions to TOD-style development in the context of an urban neighborhood, a fully developed suburban community, and a newly developing suburban community.

## **RideSolutions**

With the availability of the Commuter Choice Tax Benefit to all federal government employees, RideSolutions had success in 2002 in getting more federal employees in central Ohio to start sharing the ride to work by vanpooling. As a result of the increased interest among federal employees about alternatives to driving alone to work, RideSolutions' staff began visiting several federal worksites on a monthly basis to meet and assist employees with using RideSolutions' services. Federal employees working in downtown Columbus have also taken advantage of RideSolutions' free help in forming vanpools. RideSolutions provides ridesharing alternatives to all employees and employers within an 11 county service area. The program mission is to provide free assistance in developing and implementing transportation programs that will help to conserve energy, improve air quality, and reduce highway maintenance and traffic congestion.

## **Franklin-Delaware Traffic and Growth Management Toolkit**

Eleven governments and agencies participated in a study to determine methods to address growth in the region north and south of the shared Franklin-Delaware county line. MORPC initiated and managed the study known as the Franklin-Delaware Traffic and Growth Management Toolkit. Consultants were hired to facilitate a discussion and visioning process, and to provide national perspectives on growth issues. MORPC surveyed local public service and infrastructure providers regarding their service standards and the data used to measure them. A sub-group was formed to undertake the initial development of a system of information sharing to allow local agencies to better coordinate development, infrastructure and service decisions.

## **Other Initiatives, Forums and Partnerships**

- MORPC and the Greater Columbus Chamber of Commerce teamed up for the 2002 Regional Development Forum. The forum featured keynote speaker Indianapolis Mayor Bart Peterson. The event brought together over 450 local government and business leaders to listen and learn from the many success stories of Mayor Peterson and the Indianapolis region.
- 2002 was another busy year for the Central Ohio Regional Forum (CORF). Meetings addressed a number of important issues facing the region including homeland security, economic development and retention and regional planning. Established in 1996, CORF is an association of government and business representatives from eight central Ohio counties including Delaware, Fairfield, Fayette, Franklin, Licking, Pickaway, Ross and Union. The group meets quarterly to discuss issues that impact the entire region.
- The summer of 2002 was a busy season for MORPC's Central Ohio Ozone Action Program. The program issued 29 Ozone Alerts, increased usage of daily ozone forecasts by local media meteorologists, expanded marketing and outreach efforts to the general public, and established new relationships with the health community. Along with several community and media partners, the program organized its first annual Ozone Action Week with events taking place at COSI, Columbus Zoo and Aquarium, and Sensenbrenner Park in downtown Columbus. The Ozone Action Program also sponsored a three-month Clean Air contest to increase awareness of ozone pollution and ways to reduce ozone pollution.

- MORPC assisted the Ohio First Suburbs Consortium with the production of a documentary video highlighting the past, present and future challenges facing inner-ring communities. Entitled “Ohio’s First Suburbs: Rethinking Investment Strategies for a More Competitive Ohio,” the video illustrates the unique challenges and opportunities within Ohio’s original suburbs, taking a statewide perspective. A public policy booklet was published to accompany the video and to be distributed to state lawmakers and public officials.
- MORPC’s Homeownership Counseling program graduated over 110 home seekers in 2002. These participants attended six weeks of classes that met weekly to provide training about successful homeownership including budgeting, credit management, and home maintenance.

This year MORPC had several Asian and Somali families participate in the program through a unique partnership with the Greater Columbus Habitat for Humanity.

- MORPC worked with the local Public Works Integrating Committee and the Ohio Public Works Commission (OPWC) to award \$21.7 million in funding for Franklin County communities for the improvement of their basic infrastructure systems. MORPC provides administrative support of the Local Public Works Integrating Committee, processing and reviewing project requests from local governments, and informing local governments of program requirements.
- In 2002, MORPC began operating the Universal Services Fund (USF) Program in the city of Columbus and Franklin County. The USF Program offers consumer education and measures that can reduce electricity use to households that are receiving assistance with their utility bill.
- Technical assistance was provided to the Franklin County Natural Resources Assistance Council in reviewing applications and approving \$2.9 million in funding for eight local greenspace preservation projects. This allowed some of the region’s most valuable natural treasures to be preserved for the enjoyment of future generations.

## **MAJOR ACCOMPLISHMENTS OF 2002**

### **Goal 1 - Involve members in federal and state legislative activity and public policy consequences.**

The “MORPC Radar Screen”, an interactive legislative database, was created.

Creation and implementation of the “Regional Cooperation & Growth Scorecard” was begun.

A \$47,000 grant was secured from the George Gund Foundation to prepare a legislative education policy booklet and video for Ohio First Suburbs.

A local funding group was formed to get central Ohio included in the *Ohio Metropatterns* report.

### **Goal 2 - Initiate community partnerships to bring a strong, intergovernmental perspective to issues affecting central Ohio, develop strong regional networks and encourage community participation.**

MORPC staff designed and obtained funding for, and began development of a Regional Growth Strategy. This will address growth related issues and consequences in the seven-county region including: Delaware, Fairfield, Franklin, Licking, Madison, Pickaway and Union counties.

A report on Regional Emergency Preparedness with a nine-county task force was completed.

MORPC facilitated a public meeting in Pickaway County, bringing together Columbus City Councilman Rich Sensenbrenner and Pickaway County Commissioner John Stevenson with various constituencies, to discuss the future planning of northern Pickaway and southern Franklin counties.

MORPC hosted meetings of the Mid-Ohio Finance Administrators and Ohio Association of Regional Councils finance directors a total of eight times during the year, to address topics currently relevant to members.

Contracts were executed with the city of Washington to update their comprehensive plan, with the Village of South Bloomfield to create a land use plan and with the city of Marysville to complete a Comprehensive Housing Improvement Strategy.

The 5<sup>th</sup> Annual Planning and Zoning Workshop was held in June. The workshop received a rating of 4.47 (on a scale of 1 to 5) in overall satisfaction from participants.

A successful annual meeting was held with 770 attendees and guest speaker Jim Newton, chief economist of Commerce National Bank.

Consultants were hired to facilitate a discussion and visioning process, and to provide national perspectives on growth issues in southern Delaware and northern Franklin counties. Local public service and infrastructure providers were surveyed regarding their service standards and the data used to measure them. A sub-group was formed to undertake the initial development of a system of information sharing, to allow local agencies to better coordinate development, infrastructure and service decisions.

Membership in the Mid-Ohio Administrators Group increased from 15 to 31 and the annual Salary Survey was produced, which had 20 participants.

**Goal 3 - Facilitate and report on the flow of state and federal funds to the central Ohio region for capital infrastructure improvements as well as planning and administrative support.**

Approximately \$19.4 million in MORPC-attributable federal money was obligated.

MORPC staff worked with the local Public Works Integrating Committee (PWIC) and the Ohio Public Works Commission (OPWC) to award \$21.7 million in infrastructure funding; with the Natural Resources Assistance Council and OPWC to award \$2.9 million for greenspace preservation; and with the PWIC and ODOD to award \$3 million for brownfield redevelopment.

**Goal 4 - Enhance the mobility of people and goods throughout the central Ohio region.**

MORPC continued its long-term partnership with Central Ohio Transit Authority (COTA) by assisting them in strategic policy development.

RideSolutions successfully supported relocation projects for Air Center (state government), Nationwide Insurance, DiscoverCard, and UPS.

Transportation staff participated as stakeholders and sub-consultants for the I-70/I-71 Downtown Major Investment Study, assisted with modeling and data collection and served on the advisory committee.

Agreement was reached with ODOT, Franklin County, Dublin, Hilliard and Columbus to undertake and fund a two-stage study of the west outerbelt and US 33, together with the supporting roadways and other modes of travel.

The transportation department supported ODOT's process to upgrade US 33 to a freeway from Hamilton Road to Hill Diley Road and supported COTA's North Corridor Light Rail Transit project by managing the preparation of the Project Management Plan.

**Goal 5 - Encourage economic development and opportunity through infrastructure planning and coordination, development planning and technical assistance.**

A two-phase Transit Oriented Development (TOD) project was completed. The first phase educated targeted audiences. The second phase, Regional Demonstration, consisted of having a design firm identify sites and create conceptual designs utilizing transit oriented development principles to demonstrate different forms of TOD in various environments.

MORPC staff continued development of the Mid-Ohio Travel Model Improvement Study. This updates regional travel demand models to incorporate new methods and expands the modeling area to three entire counties and parts of four others.

Base year 2000 land use variables were compiled including population, housing, employment, square footage and acreage, for the travel demand model. Forecast year 2030 land use projections will be sent to local governments for review by December 31, 2003.

**Goal 6 - Improve the quality of life for residents of our member communities by increasing the supply of affordable housing and opportunities for homeownership, promoting jobs and economic opportunity, reducing homelessness, and promoting fair housing.**

Housing staff completed the goal of 21 units of rehabilitation for the Franklin County Single-family Rehabilitation Program. MORPC then received funding for another year to complete 18 units.

Work on the fiscal year 2000 Ross County Community Housing Improvement Program (CHIP) was completed and approval was received to begin the fiscal year 2002 version. Each \$500,000 two-year grant is for housing rehabilitation, emergency repair, homeownership counseling, and down-payment assistance.

The 1999 Lead-Based Paint Hazard Control Grant was completed. 123 housing units were treated over three years.

A down payment assistance program funded by the Federal Home Loan Bank in conjunction with Fifth Third Bank was started.



A new contract with Delaware County was obtained to provide rehabilitation services for up to 19 housing units.

70 households graduated from Homeownership Counseling.

A \$500,000 grant was obtained from Columbus Compact for Empowerment Zone housing rehabilitation.

Approval was received for grants from HUD (\$20,281), Fifth Third Bank (\$25,000), and Federal Home Loan Bank (\$204,000) for Homeownership Counseling, Downpayment Assistance and Minor Home Repair.

**Goal 7 - Decrease energy consumption and encourage the protection of our natural environment through residential energy conservation and preservation and enhancement of greenways and other natural resources.**

The weatherization program completed a major reorganization that involved closing one-half of the Home Weatherization Assistance Program (HWAP). MORPC no longer provides direct weatherization services to eligible housing units, but contracts all work to subcontractors. This resulted in the net loss of three staff members.

The HWAP program weatherized a total of 243 homes in two programs.

In 2002, the WarmChoice program repaired or replaced 674 heating units and added the capability to replace hot water tanks.

The Universal Services Fund Program was added, which provides help to reduce electricity usage by families who are in arrears on their electric bills.

**Goal 8 - Enhance the public image of MORPC with effective communication strategies.**

The look and structure of both the MORPC and Mid-Ohio Administrators Group - Intergovernmental Information Center websites were redesigned, resulting in much easier navigation with more logically designed links for the public.

**Goal 9 - Support and track revenue generation for MORPC.**

MORPC received its thirteenth annual Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting.

**Goal 10 - Incorporate GIS into services to members and increase its daily use.**

The Transportation and Resources Locator was created to use GIS to plot addresses, bus routes and other information to analyze transportation options.

**Goal 11 - Improve organization and internal management.**

“Zoning Local Software” was created.

A Performance Management Process was initiated where department objectives will be cascaded down from the agency’s annual goals. Staff and management will be evaluated on their performance of these objectives. This approach will help employees to see how their jobs and projects contribute to the agency as a whole, and will tie annual compensation to job performance.

**Goal 12 - Improve the regional environment.**

Signs were erected at 125 stream crossings throughout Franklin County under the Greenways Stream Signage Project.

A grant was obtained from the Ohio EPA, Ohio Environmental Education Fund for the Greenways Environmental Education Initiative.

A consultant was hired to put an ozone forecasting system into place that allowed the Ozone Awareness Program to grow and gain credibility with media and the community.

The Air Quality Data Collection and Strategy Evaluation Project was funded and commenced to update the emission inventory for the eight-county central Ohio area and provide data to the Ozone Action Program to determine the best strategies for the 2003 season.

**KEY GOALS FOR 2003**

**Regionally-Focused**

- Goal 1 - Increase regional cooperation.
- Goal 2 - Improve the regional environment.
- Goal 3 - Reduce regional energy usage.
- Goal 4 - Improve regional mobility.

**Planning for Local Governments**

- Goal 5 - Provide planning assistance to local governments and special districts.

**Infrastructure Programming**

- Goal 6 - Maximize flow of infrastructure dollars to local governments.

**Services to Members**

- Goal 7 - Provide legislative support and information to local governments.
- Goal 8 - Conduct analyses of public policies affecting members.
- Goal 9 - Improve member satisfaction.

### **Direct Services to People**

- Goal 10 - Administer housing rehabilitation and homeownership programs for low-income residents.
- Goal 11 - Administer weatherization programs for low-income residents.

### **Agency Operations**

- Goal 12 - Increase agency revenue.
- Goal 13 - Make the agency more competitive.
- Goal 14 - Improve operation of staff.
- Goal 15 - Use the Internet to communicate and for project operations.

### **Community Relations**

- Goal 16 - Expand and maintain community and intergovernmental partnerships.
- Goal 17 - Improve public involvement in agency activities.

## **ECONOMIC CONDITION AND OUTLOOK**

The strong economy in central Ohio is anchored by the City of Columbus, which is the only major city in the northeast quadrant of the country to have grown continuously since 1970 and is the 15<sup>th</sup> largest city in the United States, per the 2000 census. The City of Columbus is one of the largest cities in the United States with an AAA bond rating from Standard & Poor's Corporation and an Aaa rating from Moody's Investors Services, Inc. Franklin County also enjoys these highest bond ratings.

Unemployment rates for 1999, 2000, 2001 and 2002 were as follows:

	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>
United States	4.2%	4.0%	4.8%	5.8%
Ohio	4.3%	4.1%	4.3%	5.7%
Central and south-central Ohio	2.7%	2.5%	2.9%	4.5%

The employment outlook for central and south central Ohio has been and remains better than the state and the nation as a whole despite the current economic slowdown

Total membership remains at 41 local governments and interest in membership is continuing to be expressed by other governments, indicating prospects for further geographical growth. Revenue from federal contracts accounted for 59.9 percent of MORPC's 2002 total revenue. Federal revenues are expected to remain stable in the future.

Revenues from contracts with utility companies are also expected to be stable in the near term. MORPC's total 2002 revenue increased by 9.8 percent to \$7,533,683. The 2003 operating budget is \$8,566,614, which is a 13.7 percent increase over 2002 Actual.

## FINANCIAL INFORMATION

**DISCUSSION OF CONTROLS:** MORPC adopts its annual appropriated budget in December for the following year and makes a mid-year revision each July. Budgetary control is maintained using the following appropriation accounts:

- Personal service
- Materials and supplies
- Services and charges
- Capital outlays
- Debt service
- Other financing uses

A more detailed level within each appropriation is accounted for and reported internally and at the Administrative Committee level. The budget and appropriations are adopted by resolution of the MORPC Commission. The Commission has delegated to its Administrative Committee the authority to transfer amounts among the appropriation accounts within the total appropriated. The Administrative Committee must report any such actions at the next Commission meeting.

MORPC operates like a consulting business, with nearly 90 percent of its revenue received under actual cost reimbursement contracts or the fixed price, non-profit home weatherization contracts. As a result of this funding structure, MORPC accounts for its operations as a single enterprise fund, following generally accepted accounting principles (GAAP) on the accrual basis. The budget is also developed on the GAAP basis and is detailed in six-month periods by each contract or other source of funds, and includes only those amounts estimated to be earned during the budget period. MORPC's computerized financial information system performs budgetary control and activity-based cost accounting in order to manage the financially critical task of staying within budget for each contracted activity. GAAP financial statements and comprehensive budget-to-actual performance reports, with explanations of major variances, are presented to management monthly. The Administrative Committee authorizes each individual contract and expenditure in excess of \$49,999 if the expense is included in the current budget. For contracts or expenditures not included in the current budget, the Administrative Committee must authorize the item if the expense is in excess of \$20,000, and the full Commission if it is in excess of \$50,000. A myriad of financial status reports are periodically submitted to grantors according to their requirements. The county auditor also insures that all expenditures are within amounts appropriated by MORPC.

Numerous accounting and administrative controls exist to assure compliance with federal and state laws, applicable regulations such as OMB Circulars A-102 and A-87, the terms and conditions of the many contracts, as well as the Commission's own adopted policies and procedures, which are systematically reviewed and updated. The auditors' report on accounting and administrative internal controls begins on page 53 of this report and discloses no condition considered to be a material weakness.

**PROPRIETARY OPERATIONS:** As discussed above, MORPC is a governmental nonprofit voluntary association of local governments, operating like a consulting business and treated as a single enterprise for accounting, budgetary and financial presentation purposes.

It is MORPC's policy that user fees be charged to organizations and individuals who contract for or request the services and products of MORPC staff. The user fees are established and calculated on a 100 percent actual cost recovery basis, including capital costs, in conformance with MORPC's activity-based, federally-negotiated, organization-wide cost allocation plan.

Members participate in the funding of MORPC on a per-capita basis at rates determined by the MORPC board each year. Members' per-capita fees totaled \$566,697 in 2002 with \$469,267 used in the operating budget and \$97,430 restricted for capital building expenditures. Other revenues flow from contracts for specific services to be rendered on an actual cost basis with no provision for profit. Costs are allocated in accordance with policies and procedures specified by OMB Circular A-87 using a single organization-wide cost allocation plan for which U.S. Department of Transportation is the oversight agency. MORPC received \$4,519,259 or 59.9 percent of its 2002 revenue, from federal sources under actual cost reimbursement contracts directly with the federal government or indirectly under contracts with third parties, principally Franklin County and the State of Ohio.

The following is a summary of comparative results of operations and the 2003 budget.

	2001 Actual	2002 Actual	2003 Budget
<b>Revenue:</b>			
Federal contracts	\$ 4,055,624	\$4,519,259	\$4,865,596
State grants and contracts	224,708	455,389	311,133
Member's per-capita fees	460,480	469,267	511,641
Utility contracts	1,127,715	1,122,162	1,167,631
Other local contracts	781,256	858,726	1,452,955
Foundation/Corporate Contributions	91,152	91,330	257,658
Sale of Hope 3 properties	118,582	17,550	-0-
<b>Total Revenue</b>	<b>\$6,859,517</b>	<b>\$7,533,683</b>	<b>\$8,566,614</b>
<b>Expenses:</b>			
Salaries and benefits	4,211,238	4,248,094	4,371,925
Consultants and subcontracts	1,287,359	1,974,674	2,942,000
Depreciation	193,393	204,259	138,000
Other expenses	1,065,954	1,126,026	1,123,370
Cost of sales – Hope 3 properties	118,582	17,550	-0-
<b>Total Expenses</b>	<b>\$6,876,526</b>	<b>7,570,603</b>	<b>\$8,575,295</b>
Net income (Loss) before depreciation on contributed assets	\$(17,009)	\$(36,920)	\$(8,681)
Depreciation on contributed assets	34,099	29,754	28,281
Net income (loss) Before Capital Contributions	\$17,090	\$(7,166)	\$19,600
Capital Contributions	1,092,769	130,303	129,083
Net Increase in retained earnings	<u>\$1,109,859</u>	<u>\$123,137</u>	<u>\$148,683</u>
Capital expenditures	<u>\$193,530</u>	<u>\$80,295</u>	<u>\$250,000</u>

MORPC completed 2002 with a net increase in retained earnings of \$123,137. Members' per-capita fees of \$469,267, used in the operating budget, were leveraged by a factor of 16.1 to 1 to bring in total revenues of \$7,533,683. Total federal revenue increased \$463,635, or 11.4 percent primarily due to increased transportation contracts. Total state revenue increased by \$230,681, or 102.7 percent. This was also due to increased transportation contracts and due to expansion of the Universal Service Fund energy conservation program. Utility company revenue remained level in 2002 and is projected to remain level in 2003. Total staff salaries and benefits increased by \$36,856 or 0.9 percent from the prior year. Services-subcontracts expense increased by \$687,315 or 53.4% due to transportation subcontracts, Home Weatherization Assistance Program subcontracts and housing subcontracts, each with an increase of approximately \$200,000 over 2001. Overall, 2002 operating revenue increased \$674,166 or 9.8 percent from the prior year. Revenue is budgeted to increase by an additional \$1,032,931 or 13.7 percent in 2003.

The most significant variance from budget in 2002 was in **Total Operating Revenue**, which was \$582,917 or 7.2% under the budget of \$8,116,600. The following programs were under budget by \$100,000 or more:

	<b>Amount Under</b>
Transportation	\$233,487
Housing and Community Development	\$259,617
Residential Energy Conservation	\$104,604
<b>Subtotal</b>	<b>\$597,708</b>

Funding for the above programs was under contract and available to be earned. Staffing levels, however, were lower than available direct labor budgets and subcontractor work was lower than anticipated in these programs, resulting in earned revenue below budget. Work was delayed until 2003.

Capital Expenditures for equipment, vehicles and software systems in 2002 totaled \$80,295 of which \$32,873 was funded by grantors (contributed capital). Total depreciation expense was \$204,259 and net capital assets at year-end were \$1,259,259. Actual Capital Expenditures in 2002 were significantly below the appropriated amounts as several acquisitions were delayed.

MORPC's cash position improved slightly from \$1,387,415 to \$1,404,167 at year-end.

**BUILDING LEASE:** MORPC leases an office building from Franklin County under a cancelable operating lease requiring rental payments sufficient to meet the principal and interest payments necessary to retire debt issued by Franklin County to finance the cost of the office building. The debt was retired in 2001. MORPC now has the option to purchase the building for \$1, but has delayed doing so in order to preserve a mechanism to finance a major expansion. Prepayments of building rent earn interest income, which defrays MORPC's future rent expense. MORPC had prepaid rent of \$114,203 at December 31, 2002, which will be written off as an operating expense over the remaining life of the lease, which ends in 2006. Since occupying the building in 1982, MORPC has made leasehold improvements totaling \$377,388. An additional \$594,805 has been paid to Franklin County under the lease in anticipation of future improvements. The Commission reviewed MORPC's space needs in 2001 and adopted the following:

- Membership Dues rates through 2007 sufficient to finance a building expansion if needed.
- Decision to negotiate with Franklin County to arrange favorable financing of building expansion if needed.

- Appointment of an Oversight Task Force to determine the proper timing for a building expansion and assure onsite parking, site aesthetics and green space are preserved.

More details regarding this significant lease can be found in other sections of this report.

**TRUST for benefit of MORPC - HOPE 3:** A trust for the benefit of MORPC was created in 1995 to hold title to homes and otherwise facilitate the implementation of the federal "Home Ownership for People Everywhere" (HOPE 3) program. Assets totaling \$583,337, at December 31, 2002 were held by the trustee, are controlled by MORPC and have been included on MORPC's balance sheet. Mortgage notes receivables of \$395,041 are however, expected to be forgiven over time. Two properties were sold in 2002 and no properties were held at December 31, 2002.

**CASH MANAGEMENT:** As required by Ohio Revised Code Section 713.21, MORPC deposits all receipts with the Franklin County treasurer. Disbursements are made by the Franklin County auditor, based upon vouchers presented by MORPC. As part of the federal HOPE 3 program, Firststar Bank held \$188,296 in trust for the benefit of MORPC. MORPC has no other cash accounts and does not receive interest income on its cash balances.

**RISK MANAGEMENT:** A schedule of insurance policies covering identifiable risks is provided on page 48 through 49. Claims and losses have been relatively insignificant. MORPC does not engage in risk financing activities where it retains the risk, i.e., self-insurance.

**INDEPENDENT AUDIT:** The financial statements are presented annually for independent audit in accord with Ohio Revised Code Section 115.56 and OMB Circular A-133. The report of the independent auditors, Deloitte & Touche LLP, is included in the financial section of this report and is unqualified.

**CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING:** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Mid-Ohio Regional Planning Commission for its comprehensive annual financial report for the fiscal year ended December 31, 2001. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The Mid-Ohio Regional Planning Commission has received a Certificate of Achievement for the last fourteen consecutive years. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.



**ACKNOWLEDGMENTS:** The timely preparation of this report could not have been accomplished without the cooperation and dedicated services of Susan Tsen, MORPC Accounting Manager and Deloitte & Touche LLP, the independent auditors. We would like to express sincere appreciation to all those who assisted and contributed to its preparation. Appreciation is also extended to the MORPC Administrative Committee and officers for their interest and support in planning and conducting the financial operations of MORPC in a responsible and professional manner.

Respectfully submitted,



William C. Habig, Executive Director



Carl R. Styers, CPA, Finance Director



## REGIONAL PLEDGE

### Regional Pledge

#### ***Preamble:***

We acknowledge that the people who live and work in the mid-Ohio area form a single community and are bound together physically, economically, and socially. We further acknowledge and respect each community's uniqueness and value that diversity.

#### **WE PLEDGE:**

- To encourage and support a spirit of cooperation among the local governments in a manner that will protect the rights of the individual local governments.
- To involve neighboring communities in developing plans and to share those plans with the entire regional community when adopted.
- To plan for redevelopment and future development so that:
  - a. Transportation systems can meet future needs.
  - b. Adequate street, utility, health, educational, recreational, and other essential facilities can be provided as growth occurs.
  - c. The needs of agriculture, business, and industry are recognized.
  - d. Safe and healthful surroundings in residential and commercial areas are provided.
  - e. Historical, cultural values, and critical natural resources are preserved.
  - f. There is an efficient and economical use of public funds.
  - g. Reinvestment can occur in mature communities.
- To actively participate in a regional planning process and to guide the unified, far-reaching development of the region.
- To support and promote concerted action (collaboration) among the local governments for their mutual benefit and for the welfare of the region as a whole.
- To join and cooperate with other communities to insure the efficient delivery of public services for the health, safety and general welfare of all citizens in the region.
- To identify areas where regional solutions, principles, and approaches can serve all communities regardless of community demographics, boundaries, diversity or differences.
- To encourage collaborative economic development initiatives within the region.

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## Mid-Ohio Regional Planning Commission

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2001

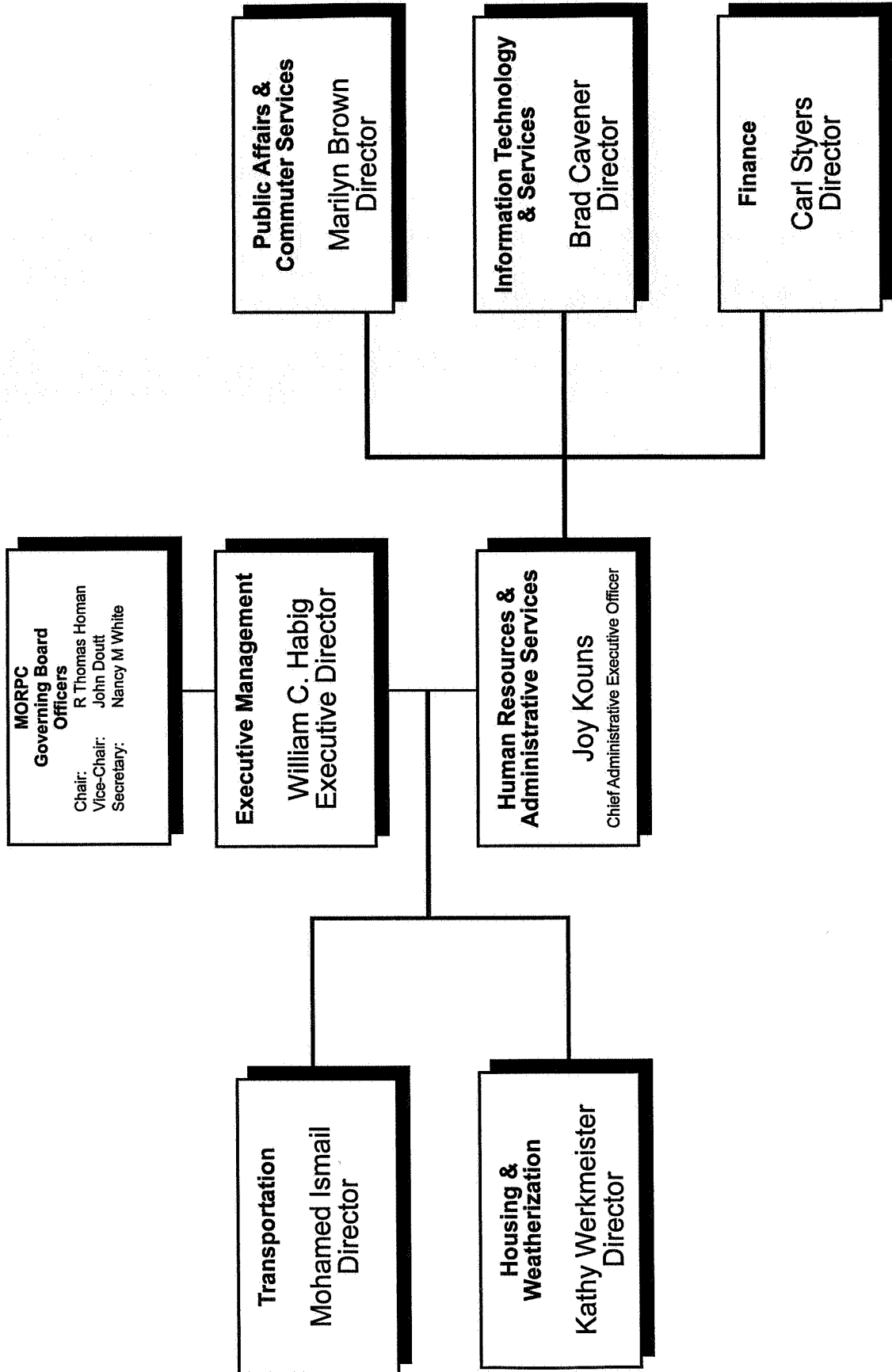
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

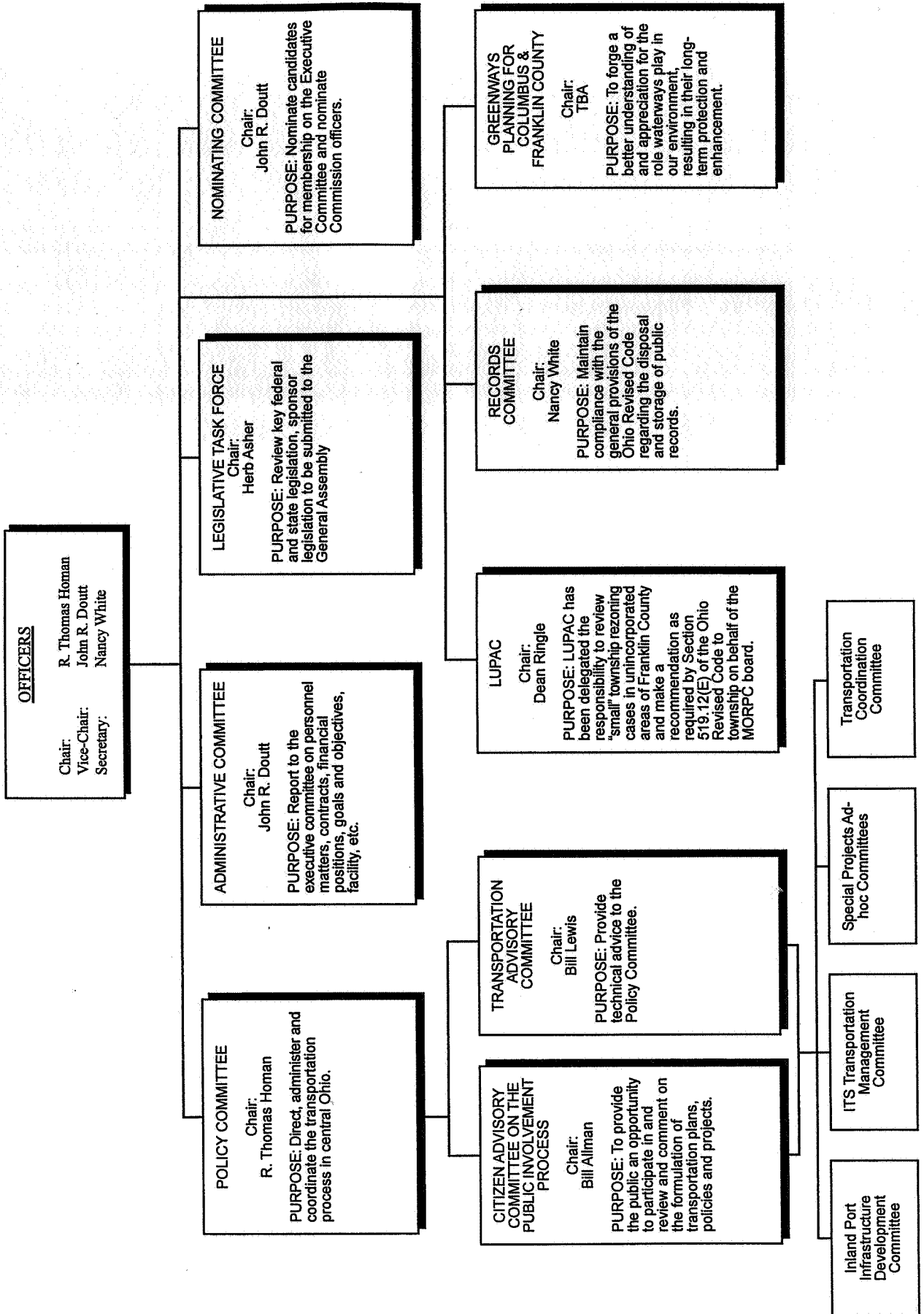
Executive Director

**MID-OHIO REGIONAL PLANNING COMMISSION**  
**Organizational Chart - Staff**  
**As of December 31, 2002**



# MID-OHIO REGIONAL PLANNING COMMISSION

## As of 12/31/02



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## **II. FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

To the Members  
Mid-Ohio Regional Planning Commission:

We have audited the accompanying balance sheet of Mid-Ohio Regional Planning Commission ("MORPC") as of December 31, 2002, and the related statements of revenues, expenses and changes in retained earnings, and cash flow for the year then ended. These financial statements are the responsibility of MORPC's management. Our responsibility is to express an opinion on these financial statements based on our audits. The financial statements of MORPC for the year ended December 31, 2001 were audited by other auditors whose report, dated June 14, 2002, expressed an unqualified opinion on those statements.

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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of MORPC as of December 31, 2002, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying additional information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of MORPC. This information is the responsibility of MORPC's management. The additional information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

The introductory and statistical sections, as listed in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The introductory and statistical sections are the responsibility of MORPC's management. Such information has not been subjected to auditing procedures applied in the audit of MORPC's financial statements and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 20, 2003 on our consideration of MORPC's internal control over financial reporting and on 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 result of our audit.

*Deloitte & Touche LLP*

May 20, 2003



# MID-OHIO REGIONAL PLANNING COMMISSION

## BALANCE SHEETS DECEMBER 31, 2002 AND 2001

<b>ASSETS</b>	<b>2002</b>	<b>2001</b>
Cash deposits	\$1,404,167	\$1,387,415
Accounts receivable:		
Federal grants and contracts	321,418	266,444
State, local and utility company grants and contracts	193,866	141,634
Other	<u>35,068</u>	<u>66,250</u>
Total	550,352	474,328
Prepaid rent	114,203	145,386
Other prepaid expenses	61,871	43,884
Cash—committee restricted for building repairs and replacements	594,805	497,374
HOPE 3 program:		
Mortgage notes receivable	395,041	412,835
Real estate held for resale		17,550
Property and equipment—net	<u>1,259,259</u>	<u>1,383,222</u>
<b>TOTAL ASSETS</b>	<u><u>\$4,379,698</u></u>	<u><u>\$4,361,994</u></u>
 <b>LIABILITIES AND EQUITY</b>		
Accounts payable	\$ 297,215	\$ 211,084
Accrued liabilities:		
Payroll and fringe benefits	245,703	282,364
Vacation and sick leave	<u>467,295</u>	<u>476,320</u>
Total accrued liabilities	712,998	758,684
Unearned grant and contract revenue:		
HOPE 3 Implementation Grant	578,726	656,773
Federal grants	81,970	57,993
State, local and utility company grants and contracts	<u>130,466</u>	<u>173,940</u>
Total unearned grant and contract revenue	791,162	888,706
Capital lease obligation	<u>12,684</u>	<u>31,264</u>
Total liabilities	1,814,059	1,889,738
Equity:		
Contributed capital	639,659	669,413
Retained earnings	<u>1,925,980</u>	<u>1,802,843</u>
Total equity	<u>2,565,639</u>	<u>2,472,256</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u><u>\$4,379,698</u></u>	<u><u>\$4,361,994</u></u>

See notes to financial statements.

## MID-OHIO REGIONAL PLANNING COMMISSION

### STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS YEARS ENDED DECEMBER 31, 2002 AND 2001

	2002	2001
<b>REVENUES:</b>		
Governmental:		
Federal grants and contracts	\$4,519,259	\$4,055,624
Nonfederal:		
Members' per capita fees	469,267	460,480
State grants and contracts	455,389	224,708
Local contracts and other	<u>858,726</u>	<u>781,256</u>
Total nonfederal	1,783,382	1,466,444
Sale of HOPE 3 properties	17,550	118,582
Foundations/corporate contributions	91,330	91,152
Utility company contracts	<u>1,122,162</u>	<u>1,127,715</u>
Total revenues	<u>7,533,683</u>	<u>6,859,517</u>
<b>EXPENSES:</b>		
Salaries and benefits	4,248,094	4,211,238
Consultants and subcontractors	1,974,674	1,287,359
Cost of sales of HOPE 3 properties	17,550	118,582
Other services	267,272	284,090
Rent and utilities	122,767	195,239
Materials and supplies	310,029	233,830
Printing	59,550	34,654
Travel	58,738	68,725
Depreciation	204,259	193,393
Advertising	104,618	86,110
Other	<u>203,052</u>	<u>163,306</u>
Total expenses	<u>7,570,603</u>	<u>6,876,526</u>
NET LOSS BEFORE DEPRECIATION ON CONTRIBUTED ASSETS	(36,920)	(17,009)
ADD: DEPRECIATION ON CONTRIBUTED ASSETS	<u>29,754</u>	<u>34,099</u>
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(7,166)	17,090
CAPITAL CONTRIBUTIONS	<u>130,303</u>	<u>1,092,769</u>
NET INCREASE IN RETAINED EARNINGS	123,137	1,109,859
RETAINED EARNINGS—Beginning of year	<u>1,802,843</u>	<u>692,984</u>
RETAINED EARNINGS—End of year	<u>\$ 1,925,980</u>	<u>\$ 1,802,843</u>

See notes to financial statements.

# MID-OHIO REGIONAL PLANNING COMMISSION

## STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2002 AND 2001

	2002	2001
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss before depreciation on contributed assets	\$ (36,920)	\$ (17,009)
Adjustments to reconcile to cash provided by operating activities:		
Depreciation	204,259	193,393
Changes in assets and liabilities:		
Accounts receivable	(76,024)	207,516
Prepaid rent	31,183	(16,053)
Other prepaid expenses	(17,987)	12,868
HOPE 3 program	35,344	5,766
Accounts payable	89,297	(38,449)
Accrued liabilities	(45,686)	9,430
Unearned grants and contract revenue	(97,544)	(50,842)
Total adjustments	<u>122,842</u>	<u>323,629</u>
Net cash provided by operating activities	<u>85,922</u>	<u>306,620</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Additions to property and equipment	(50,589)	(100,719)
Payments on lease obligation	(18,580)	(49,620)
Member contributions	<u>97,430</u>	<u>76,945</u>
Net cash provided by (used in) capital and related financing activities	<u>28,261</u>	<u>(73,394)</u>
<b>INCREASE IN CASH DEPOSITS</b>	<b>114,183</b>	<b>233,226</b>
<b>CASH DEPOSITS—Beginning of year (including \$497,374 and \$450,079 in cash—board restricted for building lease at January 1, 2002 and 2001, respectively)</b>	<u><b>1,884,789</b></u>	<u><b>1,651,563</b></u>
<b>CASH DEPOSITS—End of year (including \$594,805 and \$497,374 in cash—board restricted for building lease at December 31, 2002 and 2001, respectively)</b>	<u><u><b>\$ 1,998,972</b></u></u>	<u><u><b>\$ 1,884,789</b></u></u>
<b>SUPPLEMENTAL INFORMATION:</b>		
Noncash activities—Contributions of equipment and building	<u><u><b>\$</b></u></u>	<u><u><b>\$ 1,015,825</b></u></u>

See notes to financial statements.

# MID-OHIO REGIONAL PLANNING COMMISSION

## NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2002 AND 2001

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### 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Organization**—The Mid-Ohio Regional Planning Commission (“MORPC”) was created in December 1969 as the successor to the Franklin County Regional Planning Commission under authority granted by state statute. MORPC is a regional planning agency composed of representatives from political subdivisions in and around Franklin County, Ohio. These representatives gain membership in MORPC by satisfying certain eligibility and conditional requirements. MORPC serves communities in central and south-central Ohio by supervising, monitoring and performing planning activities affecting the present and future environmental, social, economical and government characteristics of the region. MORPC is not subject to federal or state income taxes.

In accordance with Government Accounting Standards Statement No. 14, *The Financial Reporting Entity*, MORPC is not considered part of the Franklin County (the “County”) financial reporting entity as a result of the following:

- MORPC is a separate legal entity, established under Section 713.21 of the Ohio Revised Code (ORC).
- The County appoints only 10 of 78 members of MORPC’s governing Board.
- MORPC is not fiscally dependent on the County.
- MORPC provides services to members outside of the County.

There are no agencies or organizations for which MORPC is considered the primary government. Accordingly, MORPC, including the HOPE 3 trust (see Note 1), is the sole organization of the reporting entity.

**Basis of Accounting**—In accordance with accounting principles generally accepted in the United States of America for governmental entities such as MORPC, an enterprise fund is used to account for operations since they are financed and operated in a manner similar to private business enterprises. The intent of MORPC is to recover costs of the services provided to its members, the federal government, the state and all other contracting organizations on an actual cost reimbursement basis, with no provision for profit. The enterprise fund is accounted for on the accrual basis of accounting, using a flow of economic resources measurement focus. Revenue is recognized in the period earned and expenses are recognized in the period incurred. The financial statements include both MORPC and the HOPE 3 Trust, a blended component unit, which was established principally for the purpose of holding title to certain real estate for MORPC.

**Revenue Recognition**—Revenue is derived from federal, state, county and local funding, as well as foundations, corporations and utility company contracts. MORPC members are charged an annual fee on a per-capita basis as determined by the Commission pursuant to the Articles of Agreement of MORPC. In addition, MORPC receives federal grants, which includes amounts from the Department of Housing and Urban Development, the Federal Transit Administration, the Federal Highway

Administration (in conjunction with the Ohio Department of Transportation), the U.S. Department of Energy and the U.S. Department of Health and Human Services (in conjunction with the Ohio Department of Development).

Revenues are recognized in the statements of revenue, expenses and changes in retained earnings when earned, on a percentage of completion basis. Cash received for which applicable services have not been performed are recorded as unearned grant and contract revenue in the balance sheets.

**Property and Equipment**—MORPC capitalizes at cost all purchased property and equipment costing \$1,000 and greater. Depreciation is provided on the straight-line method over the estimated useful lives of the assets ranging from three to forty years. Leasehold improvements are amortized over the lesser of the useful life of the asset or term of the lease. Donated property and equipment are recorded at fair market value on date donated. Upon sale or disposition of property and equipment, the cost and related depreciation are removed from the accounts and any gain or loss is recognized.

**Cash Deposits**—As required by ORC Section 713.21, MORPC must deposit all receipts in the Franklin County Treasury. The County Treasurer maintains a cash and investment pool used for all County Treasury activities. MORPC has no other cash deposits or investments and does not receive interest on its cash balances held in the County Treasury.

Pursuant to ORC Section 135.181, the County's deposits are covered by collateral held by third-party trustees in collateral pools securing all public funds on deposits with specific depository institutions. There is no regulatory oversight for the pool. A portion of the deposits is held in the County's name in non-interest-bearing demand deposit accounts in institutions with branches in Franklin County. A portion of the deposits is in time certificates of deposit registered in the County's name and is held by the County.

Statement No. 3 of the Governmental Accounting Standards Board (GASB) requires that all deposits be classified as to custodial risk.

The following custodial risk categories are used:

1. Insured or collateralized with securities held by the entity or by its agent in the entity's name.
2. Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
3. Uncollateralized, including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the entity's name.

MORPC's deposits with Franklin County have carrying amounts and bank balances of \$1,810,656 and \$1,595,841 at December 31, 2002 and 2001, respectively, and are not required to be categorized based on the nature of the deposits. Franklin County's deposits of MORPC funds are held by third-party trustees, pursuant to ORC Section 135.181, in collateral pools securing all public monies on deposit with specific depository institutions. The fair value of the position in this external investment pool is the same as the value of the pool shares. MORPC's deposits relating to the HOPE 3 Trust are classified in category 3 and the carrying amounts are \$188,296 and \$288,948 at December 31, 2002 and 2001, respectively. The bank balances are \$188,376 and \$181,579 at December 31, 2002 and 2001, respectively.

**Investments**—The ORC does not provide MORPC the power to make or hold investments other than the non-interest-bearing deposits in the Franklin County Treasury explained above.

**Contributed Capital**—The changes in MORPC’s contributed capital account were as follows:

Sources	2002	2001
Beginning balance	\$ 669,413	\$ 918,436
Contributing sources:		
Reduction of contributed capital related to prepaid rent (see Note 9)	-	(214,924)
Depreciation of fixed assets acquired by grants, restricted for capital acquisitions	<u>(29,754)</u>	<u>(34,099)</u>
Ending balance	<u>\$ 639,659</u>	<u>\$ 669,413</u>

**Budgetary Accounting**—The accounting principles employed by MORPC in its budgetary accounting and reporting are the same as those used to present financial statements in accordance with generally accepted accounting principles. Outlined below are the annual procedures MORPC follows to establish the expense budget data.

In December, the Finance Director develops a comprehensive operating and capital budget for the following calendar year with detailed estimated revenue and expenses by source for each half calendar year. Detailed direct and indirect cost allocations by grant are included. This budget, including appropriations, is presented to MORPC’s Administrative Committee of the Board for review and then submitted to the full MORPC Board for adoption.

MORPC appropriates at the major account group level, which includes personal service, materials and supplies, services and charges, capital expenditures, debt service and inter fund transfer. The Administrative Committee can approve transfers among the appropriation accounts within the total appropriated by MORPC, which is the legal spending limit.

In March, the federal transportation planning work program is submitted along with contract applications for federal planning funds for the next July through June fiscal year. The cost allocation plan is also submitted for negotiation at this time.

In July, following federal approval of the planning work program and cost allocation plan, MORPC’s calendar year budget and appropriations are revised by the Finance Director, reviewed by the Administrative Committee and adopted by MORPC.

Appropriations lapse at year-end. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed in conjunction with the Franklin County Auditor as an extension of formal budgetary control.

Interim financial statements comparing budget to actual in the same level of detail as the budget are prepared monthly on the accrual basis. These statements, along with narrative variance analyses, are reviewed quarterly by the Administrative Committee.

**Cash Equivalents**—For purposes of the statements of cash flows, MORPC considers all cash deposits held by the Franklin County Treasury as well as the HOPE 3 deposits, to be cash equivalents since they are available to MORPC upon demand.

**Proprietary Accounting**—Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, MORPC follows GASB guidance as applicable to proprietary funds and Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

**Compensated Absences**—MORPC employees are granted annual leave (vacation) and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated annual leave and a percentage of accumulated sick leave.

Sick leave benefits are accrued using the vesting method in accordance with GASB No. 16. An accrual for earned sick leave is reduced to the maximum amount allowed as a termination payment. The liability is based on the probability that individual employees will become eligible to receive termination payments.

MORPC allows employees to annually convert up to one year's worth of unused annual leave and sick leave to cash compensation with various restrictions. The amount so converted in 2002 and 2001 was approximately \$66,309 and \$89,440, respectively, reducing MORPC's liability.

**HOPE 3 Program**—MORPC manages the Hope for Homeownership of Single Family Homes Program (HOPE 3) Program in which MORPC acquires homes with federal monies, refurbishes the homes, and then sells them to qualified buyers in exchange for mortgage notes. In accordance with the mortgage note, a percentage of the mortgage note is forgiven as long as the owner continues to live in the home. Management expects the notes to be forgiven over time.

Real estate held for resale is stated at fair value. Real estate held for resale consists of single-family homes, which are to be sold to qualifying participants under the HOPE 3 program as established by the United States Department of Housing and Urban Development.

The mortgage notes receivable represent amounts due from homeowners resulting from the sale of homes under the HOPE 3 program. These notes receivable are collateralized by second mortgages and are due upon the subsequent sale of the homes, or the amounts are forgiven pursuant to HOPE 3 guidelines. MORPC has recorded deferred revenues in amounts equal to the mortgage loans receivable. These deferred revenues represent amounts advanced by the United States Department of Housing and Urban Development to fund the HOPE 3 program. Upon forgiveness of the mortgage notes receivable such amounts will be charged against deferred revenue.

**Use of Estimates**—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

**New Accounting Pronouncements**—The Governmental Accounting Standards Board (GASB) has recently issued Governmental Accounting Standards Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*. MORPC has not elected

early implementation of this statement in 2002. MORPC is required to implement GASB Statement No. 34 by 2004. Management is currently evaluating the impact of this statement on the results of operations and financial conditions.

**2. CASH DESIGNATED FOR REPLACEMENTS**

During 2002 and 2001, MORPC deposited monies with the Franklin County Treasury, which are designated to be used for major replacements, repairs and maintenance of its leased facility, which totaled approximately \$594,805 and \$497,374 at December 31, 2002 and 2001, respectively.

**3. PROPERTY AND EQUIPMENT**

Property and equipment consists of the following:

	2002	2001
Building	\$ 1,801,000	\$ 1,801,000
Leasehold improvements	377,387	377,387
Leased equipment	294,429	303,703
Furniture and equipment	853,896	918,522
Automobiles and light trucks	<u>311,038</u>	<u>288,846</u>
Total	3,637,750	3,689,458
Less accumulated depreciation and amortization	<u>(2,378,491)</u>	<u>(2,306,236)</u>
Total property and equipment	<u>\$ 1,259,259</u>	<u>\$ 1,383,222</u>

**4. LEASES**

MORPC leases an office building from Franklin County under a cancelable operating lease through 2006 requiring rental payments sufficient to meet the annual principal and interest payments necessary to retire debt issued by Franklin County to finance the cost of the office building. In addition, MORPC has a purchase option exercisable during the lease term or renewal term provided that all amounts are paid on the bonds. The building lease was paid in full by December 31, 2001.

Rent expense related to the office building was approximately \$60,000 for the year ended December 31, 2001.



MORPC leases certain computers and office equipment under capital leases. Future minimum payments, by year and in the aggregate, under these leases with initial or remaining terms of one year or more, consisted of the following at December 31, 2002:

2003	\$ 8,334
2004	3,860
2005	<u>1,930</u>
<b>Total minimum lease payments</b>	<b>14,124</b>
<b>Less amount representing interest</b>	<b><u>1,440</u></b>
<b>Present value of minimum lease payments under capitalized lease</b>	<b><u>\$ 12,684</u></b>

**5. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**

All MORPC employees participate, through Franklin County, in the statewide Ohio Public Employees Retirement System (OPERS). The plan is a cost sharing, multiple employer defined benefit pension plan. OPERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. In 2002 the employer was required to contribute 13.55% of active member payroll. Employees were required to contribute 8.5% of their annual covered salary.

Total required employer contributions billed to the MORPC were approximately \$479,000, \$421,000 and \$354,000 for the years ending December 31, 2002, 2001 and 2000, respectively.

OPERS issues a publicly available stand-alone financial report that includes its financial statements and required supplementary information. That report may be obtained by writing to Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 614-222-6705 or 1-800-222-7377.

Other post-employment benefits for health care costs provided by OPERS are as follows:

OPERS provides postretirement health care coverage to age and service retirees with 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits other than Pension Benefits by State and Local Government Employers." A portion of each contribution to OPERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 2002 employer contribution rate for state employers was 13.55% of covered payroll; 5.00% was the portion that was used to fund health care for the year. These rates are the actuarially determined contribution requirement for OPERS. The portion of MORPC's 2002 and 2001 contributions that were used to fund postemployment benefits was \$177,000 and \$134,000, respectively. The ORC provides the statutory authority requiring public employers to fund postretirement health care through their contributions to OPERS.

The assumptions and calculations below were based on the Retirement System's latest Actuarial Review performed as of December 31, 2001. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual

experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2001 was 8.00%. An annual increase of 4.00% compounded annually is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.00% base increase, were assumed to range from 0.50% to 6.30%. Health care costs were assumed to increase 4.00% annually.

OPEB are advance-funded on an actuarially determined basis. As of December 31, 2001, the actuarial value of the Retirement System's net assets available for OPEB was \$11.6 billion. The number of active contributing participants was 402,041. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$16.4 billion and \$4.8 billion, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan in its continuing effort to respond to the rise in the cost of health care. The Choices Plan will be offered to all persons newly hired under OPERS after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices, as the name suggests, will incorporate a cafeteria approach, offering a more broad range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

## 6. CONTINGENCIES

Federal and state contracts are subject to review and audit by the grantor agencies or their designees. Such audits could lead to requests for reimbursement to the grantor agency for expenses disallowed under terms of the grant. There are no such claims pending and no known situations, which would lead to such a claim. In addition, based upon prior experience and audit results, management believes that such disallowances, if any, would be immaterial.

In the normal course of its business activities, MORPC may become subject to claims and litigation relating to contract, employment or other matters. In the opinion of management, the resolution of any such claims pending would not likely have a material impact on MORPC's financial position.

## 7. RISK MANAGEMENT

MORPC is exposed to various risks of losses related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters.

As required by state law, MORPC is insured through the State of Ohio Bureau of Workers' Compensation for injuries to its employees through the County. The County allocates the claim liability between all agencies that participate through them. MORPC's current claims liability as of December 31, 2002 and 2001, respectively, was approximately \$28,500 and \$31,000 and is included in accrued liabilities—payroll and fringe benefits balance.

MORPC has insurance for both general liability and automobile claims and hospitalization and medical benefit coverage to all of its full time employees. There were no changes in the above policies during 2002 and 2001 and during the past three years insurance coverage was sufficient to cover all losses.

**8. FEDERAL GRANTS AND CONTRACTS REVENUE**

Federal grants and contracts for the years ended December 31, 2002 and 2001 are made up of the following:

	2002	2001
Federal grants	\$3,661,214	\$3,251,948
Federal contracts	<u>858,045</u>	<u>803,676</u>
Total federal grants and contracts	<u>\$4,519,259</u>	<u>\$4,055,624</u>

**9. BUILDING AND CAPITAL CONTRIBUTIONS**

In fiscal year 2001, MORPC paid its final payments for its building lease. The lease is recorded as a cancelable operating lease as the lease has a "fiscal funding clause" which allows MORPC to cancel the lease if the federal funding at MORPC is reduced to a level in which it can no longer maintain its viability. The lease related Franklin County debt has been retired, and MORPC has a bargain purchase option of \$1 for the building. As a result of the prior year's final payments of the lease obligation, MORPC has included the asset in these financial statements at the depreciated cost of the building. Certain contributed amounts relating to the lease that were initially recorded as prepaid rent are no longer considered prepaid, as the entire obligation has been met. As a result, MORPC has included in 2001 net property and equipment of \$923,013 and capital contributions recognized as revenue of \$923,013 in these financial statements, and reduced prepaid rent and contributed capital by \$214,924.

\* \* \* \* \*

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**ADDITIONAL INFORMATION**

**MID-OHIO REGIONAL PLANNING COMMISSION**  
**Schedule of Revenues and Expenses-Budget and Actual**  
**Year ended December 31, 2002**

	<u>Actual</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
<b>Revenue:</b>			
Transportation Programs	\$ 2,655,113	2,888,600	(233,487)
Ridesolutions	596,288	510,700	85,588
Housing and Community Development Programs	947,883	1,207,500	(259,617)
Residential Energy Conservation	2,239,096	2,343,700	(104,604)
Planning and Executive Management	824,641	928,300	(103,659)
Sale of HOPE 3 Properties	17,550	8,800	8,750
Other	253,112	229,000	24,112
<b>Total revenue</b>	<u>7,533,683</u>	<u>8,116,600</u>	<u>(582,917)</u>
<b>Expenses:</b>			
Salaries and benefits	4,248,094	4,354,000	(105,906)
Consultants, services and other	2,790,671	3,251,200	(460,529)
Materials and supplies	310,029	332,000	(21,971)
Depreciation	204,259	204,000	259
Cost of sales, HOPE 3 properties	17,550	8,800	8,750
<b>Total expenses</b>	<u>7,570,603</u>	<u>8,150,000</u>	<u>(579,397)</u>
<b>Net income (loss) before depreciation on contributed assets</b>	(36,920)	(33,400)	(3,520)
<b>Add - depreciation on contributed assets</b>	<u>29,754</u>	<u>53,000</u>	<u>(23,246)</u>
<b>Net income (loss) before capital contributions</b>	(7,166)	19,600	(26,766)
<b>Capital Contributions</b>	<u>130,303</u>	<u>86,200</u>	<u>44,103</u>
<b>Net increase in retained earnings</b>	<u>\$ 123,137</u>	<u>105,800</u>	<u>17,337</u>

Mid-Ohio Regional Planning Commission  
 Details of Indirect Cost Allocation  
 for the year ended December 31, 2002

	01/01/02 - 06/30/02		07/01/02 - 12/31/02		01/01/02 - 12/31/02	
	Direct Labor and Fringes	Allocated Indirect Costs	Direct Labor and Fringes	Allocated Indirect Costs	Direct Labor and Fringes	Allocated Indirect Costs
Grants and Programs - Direct Labor						
Transportation	\$ 591,416	\$ 384,421	\$ 625,195	\$ 387,621	\$ 1,216,611	\$ 772,042
RideSolutions Program	110,149	71,597	139,447	86,457	249,596	158,054
Residential Energy Conservation Program	252,827	164,337	305,382	189,336	558,209	353,673
Housing and Community Development	145,305	94,448	137,809	85,441	283,114	179,889
Planning & Executive Management	179,256	116,516	229,129	142,060	408,385	258,576
Other Grants and Programs	31,855	20,706	37,055	22,974	68,910	43,680
Total - Headquarters	<u>\$ 1,310,808</u>	<u>\$ 852,025</u>	<u>\$ 1,474,017</u>	<u>\$ 913,889</u>	<u>\$ 2,784,825</u>	<u>\$ 1,765,914</u>
Residential Energy Conservation - Lawn Ave.	\$ 73,379	\$ 35,956	\$ 0	\$ 0	\$ 73,379	\$ 35,956
Total	<u>\$ 1,384,187</u>	<u>\$ 887,981</u>	<u>\$ 1,474,017</u>	<u>\$ 913,889</u>	<u>\$ 2,858,204</u>	<u>\$ 1,801,870</u>

Mid-Ohio Regional Planning Commission  
 Details of Indirect Cost Allocation, Continued

	01/01/02 - 06/30/02		07/01/02 - 12/31/02		01/01/02 - 12/31/02	
	Common	Total Indirect Costs	Common	Total Indirect Costs	Common	Total Indirect Costs
<b>Indirect Labor</b>						
Information and Technology Services	\$ 149,944	\$ 149,944	\$ 147,068	\$ 147,068	\$ 297,012	\$ 297,012
Finance	185,810	185,810	183,684	183,684	369,494	369,494
Public Affairs	48,957	48,957	34,383	34,383	83,340	83,340
Executive Management	92,794	92,794	95,101	95,101	187,895	187,895
Human Resources and Administration	74,741	142,456	68,960	157,852	143,701	300,308
Other Indirect Labor	22,164	22,164	16,542	16,542	38,706	38,706
Total-indirect labor	\$ 574,410	\$ 642,125	\$ 545,738	\$ 634,630	\$ 1,120,148	\$ 1,276,755
Percent of direct labor	41.50%	46.39%	37.02%	43.05%	39.19%	44.67%
<b>General Overhead Expense</b>						
Materials and Supplies	\$ 14,735	\$ 18,422	\$ 13,978	\$ 20,454	\$ 28,713	\$ 38,876
Services and Charges	84,610	98,750	75,412	89,916	160,022	188,666
Rent, Utilities and Building Maintenance	5,135	66,845	4,901	50,410	10,036	117,255
Other General Overhead	19,485	59,083	21,683	61,203	41,168	120,286
Total-general overhead	\$ 123,965	\$ 243,100	\$ 115,974	\$ 221,983	\$ 239,939	\$ 465,083
Percent of direct labor	8.96%		7.87%		8.39%	
<b>Total indirect expenses</b>	\$ 698,375	\$ 885,225	\$ 661,712	\$ 856,613	\$ 1,360,087	\$ 1,741,838
Percent of direct labor	50.45%	63.95%	44.89%		47.59%	
<b>Over (under) absorbed expenses</b>	\$ (20,124)	\$ 2,756	\$ 45,815	\$ 57,276	\$ 25,691	\$ 60,032
Percent of direct labor	-1.45%		3.11%		0.90%	



Mid-Ohio Regional Planning Commission  
 Indirect Cost Allocation - Summary

	01/01/02 - 06/30/02			07/01/02 - 12/31/02			01/01/02 - 12/31/02		
	Direct Labor and Fringes	Allocated Indirect Costs	Rate	Direct Labor and Fringes	Allocated Indirect Costs	Rate	Direct Labor and Fringes	Allocated Indirect Costs	Rate
Headquarters	\$ 1,310,808	\$ 852,025	65.00%	\$ 1,474,017	\$ 913,889	62.00%	\$ 2,784,825	\$ 1,765,914	63.41%
Lawn Ave.	73,379	35,956	49.00%	0	0	49.00%	73,379	35,956	49.00%
Lawn Ave. - HWAP	0	0	100.00%	0	0	100.00%	0	0	100.00%
Total	\$ 1,384,187	\$ 887,981		\$ 1,474,017	\$ 913,889		\$ 2,858,204	\$ 1,801,870	
		Indirect Expenses	Rate		Indirect Expenses	Rate		Indirect Expenses	Rate
Common		\$ 698,375	50.45%		\$ 661,712	44.89%		\$ 1,360,087	47.59%
Headquarters		186,850	14.25%		194,901	13.22%		381,751	13.71%
Lawn Ave. - HWAP		0	100.00%		0	100.00%		0	100.00%
Total		\$ 885,225			\$ 856,613			\$ 1,741,838	

**MID-OHIO REGIONAL PLANNING COMMISSION**

**Details of Fringe Benefits Allocation**

for the years ended June 30, 2002 and December 31, 2002

	Year Ended 06/30/02	Year Ended 12/31/02
Wages paid for time worked:	<u>\$ 2,746,014.98</u>	<u>\$ 2,722,515.98</u>
Allocated fringe benefits:	\$ 1,345,494.62	1,402,263.34
Actual fringe benefits:		
Fringe benefit wages:		
Vacations	197,745.85	193,960.64
Sick Leave	100,316.20	92,870.52
Holiday and Other Fringe Wages	94,412.59	90,020.43
Retirement sick leave	46,719.75	48,783.97
Vacations Carryover	39,362.23	55,900.39
Other	<u>0.00</u>	<u>900.00</u>
Total fringe benefits wages	478,556.62	482,435.95
PERS	488,041.83	480,920.35
Workers' compensation	(31,518.33)	0.00
Group medical coverage	365,279.54	375,366.10
Unemployment compensation	4,285.05	5,457.54
Medicare Tax	36,539.86	35,376.49
Group life insurance	1,148.70	948.40
Group dental insurance	33,455.36	34,170.38
Group optical insurance	2,845.41	2,715.42
Group prescription insurance	87,711.64	86,296.53
Group EAP Insurance	<u>10,780.55</u>	<u>11,042.06</u>
Total other fringe benefits	998,569.61	1,032,293.27
Total actual fringe benefits	<u>1,477,126.23</u>	<u>1,514,729.22</u>
Over (under) allocated fringe benefits	<u>\$ (131,631.61)</u>	<u>\$ (112,465.88)</u>
Allocated fringe benefits	<u>49.00%</u>	<u>51.51%</u>
Actual fringe benefits rate	<u>53.79%</u>	<u>55.64%</u>

**MID-OHIO REGIONAL PLANNING COMMISSION**  
**DETAILS OF CUMULATIVE REVENUE AND EXPENSES AND COMPUTATION OF PROJECT**  
**GRANTS ON FEDERAL TRANSPORTATION PROJECTS COMPLETED IN 2002**  
 Year Ended December 31, 2002

	Federal Transportation Administration FY 2002 Transit 9219/165021 Planning Work Program	FY 2001 Federal Highway Administration/Ohio Department of Transportation 9219/462440 Central OH Regional Rail Study	FY 2001 Federal Highway Administration/Ohio Department of Transportation 9219/462700 Travel Modal Improv. Study	FY 2002 Federal Highway Administration/Ohio Department of Transportation 9219/463670 Freeway Management System II	FY 2002 Federal Highway Administration/Ohio Department of Transportation/ 9219/463680 Transit Oriented Development Education
Revenues:					
Federal grants: FHWA	\$ 1,124,787	\$ 250,000	\$ 250,000	\$ 15,189	\$ 25,000
FTA					
State grants: ODOT (FHWA match)	140,588			1,899	
ODOT (FTA match)		50,000		1,898	25,000
Allocation of per capita fees-FHWA	140,588				
Local matching funds		14			8
Overexpenditure of FHWA contract	201				
Overexpenditure of FTA contract					
Federal grants allocated					
State grants allocated					
In Kind Services					
<b>TOTAL REVENUES</b>	<b>\$ 1,406,184</b>	<b>\$ 300,014</b>	<b>\$ 250,000</b>	<b>\$ 18,986</b>	<b>\$ 50,008</b>
Expenditures:					
Salaries and benefits	807,515	58,584	117,868	11,395	28,793
Consultants and services	13,774	201,834	53,385	296	778
Rent and utilities	455				
Equipment and Rentals	4,531	30	271	2	275
Supplies	10,047		898		320
Printing	14,052	1,605			39
Travel	12,127		1,502		1,104
Depreciation	18,799	410			
Other					
In-kind services					
Subtotal--direct expenditures	\$ 881,300	\$ 282,443	\$ 173,724	\$ 11,655	\$ 31,309
Overhead and indirect cost allocation	\$ 524,884	\$ 37,571	\$ 76,276	\$ 7,331	\$ 18,699
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,406,184</b>	<b>\$ 300,014</b>	<b>\$ 250,000</b>	<b>\$ 18,986</b>	<b>\$ 50,008</b>
Federal participation in project cost may not exceed	80%	83.33%	100.00%	80%	50%
Pursuant to contracts, the federal grant may not exceed the lesser of the percentage shown above, or					
Accordingly the federal grant permissible is:	\$ 1,124,787	\$ 250,000	\$ 250,000	\$ 240,000	\$ 25,000
Less: Federal payments	1,124,787	250,000	200,000	15,189	25,000
Federal grant receivable	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-

MID-OHIO REGIONAL PLANNING COMMISSION

DETAILS OF CUMULATIVE REVENUE AND EXPENSES AND COMPUTATION OF PROJECT GRANTS ON FEDERAL TRANSPORTATION PROJECTS COMPLETED IN 2002  
(continued)  
Year Ended December 31, 2002

	FY 1998 Federal Highway Administration/Ohio Department of Transportation 8207/131884 East Corridor Study	FY 2001 Federal Highway Administration/Ohio Department of Transportation 8219/463150 Freeway Management System	FY 2001 Federal Highway Administration/Ohio Department of Transportation 8219/463350 CORTRAN O & O	FY 2002 Federal Highway Administration/Ohio Department of Transportation 9219/462710 Ozone Awareness	FY 2000 Federal Highway Administration/Ohio Department of Transportation 8398/460710 Vanpool Incentive Program	FY 2000 Federal Highway Administration/Ohio Department of Transportation 9219/481580 Transportation to Jobs
Revenues:						
Federal grants: FHWA	\$ 160,000	\$ 160,000	\$ 100,000	\$ 150,000	\$ 40,000	\$ 85,000
FTA						
State grants: ODOT (FHWA match)		20,000				
ODOT (FTA match)		20,000				
Allocation of per capita fees-FHWA	40,000					
Allocation of per capita fees-FTA						
Local matching funds	6	6	504			
Overexpenditure of FHWA contract						
Overexpenditure of FTA contract						
Federal grants allocated						
State grants allocated						
In Kind Services						
<b>TOTAL REVENUES</b>	<b>\$ 200,006</b>	<b>\$ 200,006</b>	<b>\$ 100,504</b>	<b>\$ 150,000</b>	<b>\$ 40,000</b>	<b>\$ 85,000</b>
Expenditures:						
Salaries and benefits	120,571	32,154	56,488	71,387		39,105
Consultants and services	892	146,389	4,321	1,872	28,394	6
Rent and utilities		1				
Equipment and Rentals	320	19	153	187	28	13
Supplies				5,932	400	1,850
Printing	44	448	2,005	31		926
Travel						
Depreciation	66	257	1,247	24,707	13,178	18,028
Other						
In-kind services						
Subtotal-direct expenditures	\$ 121,893	\$ 179,268	\$ 64,214	\$ 104,076	\$ 40,000	\$ 59,928
Overhead and indirect cost allocation	\$ 78,113	\$ 20,740	\$ 36,290	\$ 45,924	\$ 0	\$ 25,072
<b>TOTAL EXPENDITURES</b>	<b>\$ 200,006</b>	<b>\$ 200,008</b>	<b>\$ 100,504</b>	<b>\$ 150,000</b>	<b>\$ 40,000</b>	<b>\$ 85,000</b>
Federal participation in project cost may not exceed	80%	80%	100%	100%	100%	100%
Pursuant to contracts, the federal grant may not exceed the lesser of the percentage shown above, or						
Accordingly the federal grant permissible is:	\$ 160,000	\$ 160,000	\$ 100,000	\$ 150,000	\$ 40,000	\$ 85,000
Less: Federal payments	160,000	160,000	100,000	150,000	40,000	85,000
Federal grant receivable	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-

MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF COSTS BY SUBCATEGORY FOR

FEDERAL TRANSPORTATION GRANTS COMPLETED IN 2002

Year Ended December 31, 2002

SUBCATEGORIES	FTA	ODOT	MORPC	FHWA	ODOT	MORPC	STP	MORPC	STP	FHWA	CMAQ-M	MORPC	TOTAL
601 Short Range Planning	80.00%	10.00%	10.00%										100.00%
60102-001 Short Range Multimodal Transp.	\$78,403	\$9,800	\$9,800										\$98,003
60102-002 Freight Planning	\$63,041	\$6,631	\$6,630										\$66,302
602 Transportation Improvement Program	80.00%	10.00%	10.00%										100.00%
60202-000 TIP & Implementation	\$139,765	\$17,471	\$17,470										\$174,706
605 Continuing Planning - Surveillance	80.00%	10.00%	10.00%									\$201	100.00%
60502-001 Transportation Data & Surveillance	\$216,734	\$27,091	\$27,091										\$271,117
60502-002 Transp Models & Applications	\$105,580	\$13,198	\$13,198										\$131,976
610 Long Range Planning	80.00%	10.00%	10.00%										100.00%
61002-001 Long Range Multimodal	\$238,524	\$29,816	\$29,815										\$298,155
61002-002 Transportation Public Involvement	\$57,000	\$7,125	\$7,125										\$71,250
625 Service	80.00%	10.00%	10.00%										100.00%
62512-001 Assistance to Public & Members	\$49,823	\$6,228	\$6,228										\$62,279
635 Economic Regulation	80.00%	10.00%	10.00%										100.00%
63502-000 Transportation Policies	\$65,695	\$8,212	\$8,212										\$82,119
665 Planning	83.33%		16.67%										100.00%
66506-001 Central OH Regional Rail Study	\$250,000		\$50,000									\$14	\$300,014
66514-001 Travel Model Improv. Study							100.00%						\$250,000
66515-001 CFMS Effectiveness II	80.00%	10.00%	10.00%										100.00%
66515-001 CFMS Effectiveness II	\$15,189	\$1,899	\$1,898										\$18,986
66516-001 Transit Oriented Development Ed II							50.00%	50.00%					100.00%
66516-001 Transit Oriented Development Ed II							\$25,000	\$25,000				\$8	\$50,008
66518-000 East Corridor Study							80.00%	20.00%					100.00%
66518-000 East Corridor Study							\$160,000	\$40,000					\$200,006
66530-001 FMS Detailed Project Plan	80.00%	10.00%	10.00%										100.00%
66530-001 FMS Detailed Project Plan	\$160,000	\$20,000	\$20,000										\$200,006
66531-000 CORTRAN O&O									100.00%				100.00%
66531-000 CORTRAN O&O									\$100,000				\$100,004
66720-001 Ozone Awareness Prtg FY2001-2003													100.00%
66720-001 Ozone Awareness Prtg FY2001-2003													\$150,000
66760-000 VanPool Incentives Program													100.00%
66760-000 VanPool Incentives Program													\$40,000
66765-000 Transportation to Jobs										100.00%			100.00%
66765-000 Transportation to Jobs									40,000.0				\$40,000
695 Transportation Program Supervision	80.00%	10.00%	10.00%										100.00%
69502-000 Program Administration	\$101,516	\$12,690	\$12,690										\$126,896
697 Biennial Reports FY 2002	80.00%	10.00%	10.00%										100.00%
69702-000 Biennial Report-Transp. Staff	\$18,706	\$2,336	\$2,339										\$23,381
Total	\$1,124,787	\$140,598	\$140,598	\$575,189	\$21,899	\$71,898	\$350,000	\$185,000	\$65,000	\$40,000	\$85,000	\$739	\$2,800,708

### **III. STATISTICAL SECTION (UNAUDITED)**

**MID-OHIO REGIONAL PLANNING COMMISSION**  
**Estimated Population by Member Jurisdiction Used for Per Capita/Membership Fees (Unaudited)**  
**December 31, 2002**

<b>Governmental Unit</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>
<b>Cities:</b>										
Bexley	13,229	13,220	13,285	13,285	13,289	13,290	13,293	13,314	13,320	13,217
Chillicothe	22,042	22,092	22,164	22,237	22,316	22,394	22,394	22,394	22,499	21,903
Circleville	11,843	11,908	11,930							
Columbus	650,578	657,487	666,211	675,045	684,928	696,849	701,426	705,652	714,413	726,601
Delaware				22,294	22,102	23,224	23,745	24,490	26,435	27,294
Dublin	17,991	18,911	19,753	21,494	22,337	23,103	24,976	26,039	30,556	32,269
Gahanna	29,652	30,918	32,240	32,919	33,605	33,950	34,503	34,892	35,214	33,118
Grandview Heights	7,010	7,010	7,013	7,016	7,027	7,027	7,027	7,027	7,027	6,695
Grove City	21,166	21,967	22,970	23,446	24,065	24,683	25,129	25,632	28,481	30,224
Hilliard	14,693	15,779	16,780	17,903	18,774	19,281	21,064	22,506	23,244	25,555
London					8,389	8,441	8,574	8,765	8,869	8,877
Marysville									14,530	16,986
Pickerington	7,151	7,552	7,399	7,535	7,744	7,895	8,035	8,377	8,755	10,452
Powell	2,709	3,006	3,837	4,287	3,929	4,544	4,981	5,346	6,009	7,115
Reynoldsburg	26,732	27,631	28,627	29,653	30,657	31,124	31,466	31,928	32,281	32,926
Upper Arlington	34,217	34,245	34,259	35,892	35,900	35,919	35,921	35,934	35,990	33,767
Washington					13,905	13,983	14,077	14,077	14,131	13,582
Westerville	32,192	32,917	33,635	34,016	34,412	34,833	34,948	35,926	36,278	35,908
Whitehall	20,585	20,585	20,590	20,599	20,612	20,612	20,675	20,696	20,702	19,207
Worthington	14,958	14,975	15,004	15,022	15,046	15,052	15,059	15,067	15,069	14,137
<b>Total Cities</b>	<b>926,748</b>	<b>940,203</b>	<b>955,697</b>	<b>982,643</b>	<b>1,019,037</b>	<b>1,036,204</b>	<b>1,047,293</b>	<b>1,058,062</b>	<b>1,093,803</b>	<b>1,109,833</b>
<b>Villages:</b>										
Ashley			1,068	1,075						
Brice	106	106	106	106	106	106	106	106	106	70
Canal Winchester	2,700	2,868	3,021	3,153	3,294	3,482	3,722	3,935	4,281	4,987
Groveport	2,976	3,006	3,129	3,218	3,378	3,439	3,573	3,602	3,688	4,121
Harrisburg	357	357	357	357	357	357	357	357	357	332
Lockbourne	283	283	283	283	383	383	283	283	283	280
Marble Cliff	637	639	647	651	652	652	652	652	652	646
Minerva Park	1,463	1,463	1,463	1,471	1,683	1,683	1,683	1,683	1,683	1,288
Mount Sterling										1,865
New Albany	1,872	2,006	2,098	2,253	2,688	3,100	3,361	3,550	3,970	4,323
New Rome	111	111	116	116	116	116	116	116	116	60
Obetz	3,290	3,358	3,448	3,520	3,682	3,770	3,876	4,062	4,233	4,151
Riverlea	503	505	513	515	515	515	515	515	515	499
S. Bloomfield					838	935	943	951		
Urbancrest	926	933	933	939	945	952	955	965	968	873
Valleyview	604	604	604	604	604	604	604	604	604	601
West Jefferson	4,523	4,526	4,526	4,530	4,530	4,530	4,535	4,546	4,546	4,331
<b>Total Villages</b>	<b>20,351</b>	<b>20,765</b>	<b>22,312</b>	<b>22,791</b>	<b>23,771</b>	<b>24,624</b>	<b>25,281</b>	<b>25,927</b>	<b>26,002</b>	<b>28,427</b>
Delaware Co. Balance									70,767	74,845
Violet Township									16,362	17,495
Fayette Co. Balance					14,490	14,537	14,977	14,977	15,200	15,218
Unincorporated										
Franklin County	99,652	99,805	100,028	97,959	98,041	98,244	98,547	101,747	102,105	93,448
Ross County excluding City of Chillicothe	47,577	47,839	47,863	47,879	47,879	47,915	48,884	49,585	50,635	52,600
<b>Total County Balances</b>	<b>147,229</b>	<b>147,644</b>	<b>147,891</b>	<b>145,838</b>	<b>160,410</b>	<b>160,696</b>	<b>162,408</b>	<b>166,309</b>	<b>255,069</b>	<b>253,606</b>
<b>Total full member population</b>	<b>1,094,328</b>	<b>1,108,612</b>	<b>1,125,900</b>	<b>1,151,272</b>	<b>1,203,218</b>	<b>1,221,524</b>	<b>1,234,982</b>	<b>1,250,298</b>	<b>1,374,874</b>	<b>1,391,866</b>
<b>Total per capita full membership fees</b>	<b>\$334,727</b>	<b>\$339,083</b>	<b>\$344,240</b>	<b>\$346,987</b>	<b>\$388,030</b>	<b>\$418,247</b>	<b>\$442,212</b>	<b>\$493,521</b>	<b>\$532,710</b>	<b>\$566,697</b>

continued

## **MID-OHIO REGIONAL PLANNING COMMISSION**

### **Estimated Population by Member Jurisdiction Used for Per Capita Membership Fees (Unaudited), Continued**

December 31, 2002

#### **Sources of Estimates**

Population estimates, prepared by MORPC staff are used for assessing per capita fees to member jurisdictions. The estimates are prepared from several available sources of population data including U.S. Census figures and estimated occupied housing units, based on the number of residential electric meters, residential building permits issued, and individual vacancy rates for each municipality. The number of persons per household has been calculated in all years (other than census years) using regression analysis and is unique to each municipality. Details of the adjacent county population base for calculating transportation per capita fees and adjacent county transportation per capita fees are not included in this schedule.

Due to the considerable effort and cost associated with updating the population estimates, it has been the decision of management on limited occasions to use existing population estimates in succeeding years without revision.



**MID-OHIO REGIONAL PLANNING COMMISSION**

Schedule of Revenue, Expenses and Changes in Retained Earnings - Last Ten Fiscal Years (Unaudited)

December 31, 2002

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
<b>Revenue:</b>										
<b>Governmental:</b>										
Federal Contracts	\$ 3,227,300	\$ 4,692,925	\$ 4,036,790	\$ 3,704,309	\$ 3,394,314	\$ 4,249,376	\$ 4,101,941	\$ 3,901,036	\$ 4,055,624	\$ 4,519,259
<b>Nonfederal:</b>										
Members' per capita fees	298,704	285,269	283,695	285,439	325,273	357,196	382,637	427,847	460,480	489,267
State grants and contracts	145,754	239,060	175,619	198,956	199,660	166,262	217,174	245,164	224,708	455,389
Local contracts and other	711,140	690,557	556,737	661,073	780,630	872,689	1,091,936	1,258,289	872,408	950,056
Utility company contracts	1,210,841	1,215,128	1,178,449	1,017,986	1,246,533	1,214,307	1,389,518	1,029,687	1,127,715	1,122,162
Sale of HOPE 3 properties				424,875	398,756	444,843	297,937	116,226	118,582	17,550
<b>Total revenue</b>	<b>5,593,739</b>	<b>7,122,939</b>	<b>6,231,299</b>	<b>6,292,638</b>	<b>6,345,166</b>	<b>7,304,643</b>	<b>7,481,143</b>	<b>6,978,229</b>	<b>6,859,517</b>	<b>7,533,683</b>
<b>Expenses:</b>										
Salaries and benefits	3,085,900	3,237,568	3,391,824	3,467,153	3,551,654	3,765,806	3,939,083	4,208,418	4,211,238	4,248,094
Consultants & subcontractors	1,515,033	2,712,310	1,706,437	1,249,910	966,955	1,597,334	1,681,736	1,193,340	1,287,359	1,974,674
Other services	171,417	224,274	218,574	248,598	334,275	396,701	388,864	435,271	284,090	267,272
Rent and utilities	219,204	219,132	214,055	214,168	213,362	201,423	204,429	178,981	195,239	122,767
Materials and supplies	197,246	205,515	222,080	207,552	255,669	291,570	300,175	217,752	233,830	310,029
Printing	57,626	78,002	46,506	56,584	78,427	73,774	65,145	66,780	34,654	59,550
Travel	49,676	55,732	62,889	60,361	72,962	74,039	73,254	79,079	68,725	58,738
Depreciation	86,994	116,504	136,890	137,193	169,124	171,662	195,487	203,657	193,393	204,259
Other services	185,931	239,233	235,146	235,305	305,079	260,530	303,114	265,633	249,416	307,670
Cost of sales of HOPE 3 properties			424,875	424,875	398,756	444,843	297,937	116,226	118,582	17,550
<b>Total expenses</b>	<b>5,569,027</b>	<b>7,090,270</b>	<b>6,234,201</b>	<b>6,301,699</b>	<b>6,346,263</b>	<b>7,277,682</b>	<b>7,449,224</b>	<b>6,965,117</b>	<b>6,876,526</b>	<b>7,570,603</b>
<b>Net income (loss) before depreciation on contributed assets</b>	<b>24,712</b>	<b>32,669</b>	<b>(2,911)</b>	<b>(9,061)</b>	<b>(1,097)</b>	<b>26,961</b>	<b>31,919</b>	<b>13,112</b>	<b>(17,009)</b>	<b>(36,920)</b>
<b>Add - depreciation on contributed assets</b>		<b>7,109</b>	<b>19,543</b>	<b>19,543</b>	<b>19,503</b>	<b>11,416</b>	<b>13,008</b>	<b>24,761</b>	<b>34,099</b>	<b>29,754</b>
<b>Net income before capital contributions</b>	<b>24,712</b>	<b>39,778</b>	<b>16,632</b>	<b>10,482</b>	<b>18,406</b>	<b>38,377</b>	<b>44,927</b>	<b>37,873</b>	<b>17,090</b>	<b>(7,166)</b>
<b>Capital contributions</b>									<b>1,082,769</b>	<b>130,303</b>
<b>Net changes in retained earnings</b>	<b>24,712</b>	<b>39,778</b>	<b>16,632</b>	<b>10,482</b>	<b>18,406</b>	<b>38,377</b>	<b>44,927</b>	<b>37,873</b>	<b>1,109,859</b>	<b>123,137</b>
<b>Retained earnings, beginning of year</b>	<b>461,797</b>	<b>486,509</b>	<b>526,287</b>	<b>542,919</b>	<b>553,401</b>	<b>571,807</b>	<b>610,184</b>	<b>655,111</b>	<b>692,984</b>	<b>1,802,843</b>
<b>Retained earnings, end of year</b>	<b>\$ 486,509</b>	<b>\$ 526,287</b>	<b>\$ 542,919</b>	<b>\$ 553,401</b>	<b>\$ 571,807</b>	<b>\$ 610,184</b>	<b>\$ 655,111</b>	<b>\$ 692,984</b>	<b>\$ 1,802,843</b>	<b>\$ 1,925,980</b>

Source: MORPC Comprehensive Annual Financial Report

**Mid-Ohio Regional Planning Commission**

*Schedule of Insurance Coverage*

December 31, 2002

(Unaudited)

<b>Existing coverage - policies in force</b>		<b>Limits of liability</b>
<b>1. Type</b>		<b>Commercial General Liability</b>
General Aggregate (Other than Products-Completed Operations)		\$2,000,000
Public Officials Liability (Aggregate Limit)		\$1,000,000
Products-Completed Operations Aggregate Limit		\$2,000,000
Personal and Advertising Injury		\$1,000,000
Each Occurrence		\$1,000,000
Fire Damage Limit (Any One Fire)		\$100,000
Deductible		\$0
<b>2. Type</b>		<b>Employer's Liability</b>
Employer's Liability Stop Gap		\$1,000,000
Deductible (None)		\$0
<b>3. Type</b>		<b>Employee Benefits Liability</b>
Aggregate Limit		\$2,000,000
Each Claim Limit		\$1,000,000
Deductible		\$1,000
<b>4. Type</b>		<b>Crime Coverage</b>
Limit of Liability		
Finance Director		\$100,000
Executive Director		\$100,000
Accounting Manager		\$50,000
Senior Accountant		\$50,000
Human Resources Manager		\$50,000
Public Employee Dishonesty		\$25,000
Deductible (None)		\$500
<b>5. Type</b>		<b>Miscellaneous</b>
Information Technology Coverage		\$250,000
Camera Equipment		\$16,500
Valuable Papers and Records - Cost of Research		\$300,000
Fine Arts		\$0
Builder's Risk/Installation Coverage		\$0
Contractors' Equipment Coverage		\$35,050
Deductible		\$500
<b>6. Type</b>		<b>Commercial Property Coverage</b>
Personal Property - 285 East Main St. & 501 Industry Drive		\$105,000
Extra Expense - 285 East Main St. & 501 Industry Drive		\$250,000
Deductible		\$1,000

*Local Agent  
Insurance Company*

*Expires*

*Wichert Insurance  
Westfield Ins. Co.  
General Star Ins. Co.-Public Officials  
November 1, 2003*

(continued)

**Mid-Ohio Regional Planning Commission**  
**Schedule of Insurance Coverage**  
**December 31, 2002**

(Unaudited)

<b>Existing coverage - policies in force</b>	<b>Limits of liability</b>
<hr/>	
<b>7. Type</b>	<b>Lead Abatement Coverage for HUD Grant</b>
General Aggregate	
General Aggregate Limit (Other than Products-Completed Operations)	\$5,000,000
Products-Completed Operations Aggregate Limit	\$5,000,000
Personal and Advertising Injury	\$5,000,000
Each Occurrence	\$5,000,000
Fire Damage Limit	\$50,000
Medical Expense Limit	\$5,000
Bodily Injury & Property Damage Deductible	\$1,000
 <i>Local Agent</i>	 <i>Wichert Insurance</i>
<i>Insurance Company</i>	<i>Bonding and Insurance Specialist</i>
 <i>Expires</i>	 <i>August 17, 2004</i>
<hr/>	
<b>8. Type</b>	<b>Automobile</b>
Limit of Liability	\$1,000,000
Auto Medical Payments (Each Person)	\$5,000
Deductible - Comprehensive Coverage	\$500
Deductible - Collision Coverage	\$500
 <i>Local Agent</i>	 <i>Wichert Insurance</i>
<i>Insurance Company</i>	<i>Westfield Ins. Co.</i>
 <i>Expires</i>	 <i>November 1, 2003</i>
<hr/>	
<b>9. Type</b>	<b>Building and Contents Provided through Franklin Co.</b>
Limit of Liability	
Building	\$3,291,036
Contents	\$726,000
Deductible	\$250,000
 <i>Local Agent</i>	 <i>Arthur J. Gallagher, Cleveland, OH</i>
<i>Insurance Company</i>	<i>Coregus Insurance Co.</i>
	<i>A division of GE</i>
 <i>Expires</i>	 <i>December 31, 2003</i>
<hr/>	
<b>10. Type</b>	<b>HOPE 3 Home Insurance</b>
 <i>Properties without a building are covered under MORPC's general liability coverage</i>	

MORPC does not engage in risk financing activities where it retains the risk (i.e., self-insurance).

Source: MORPC insurance policies.

**Mid Ohio Regional Planning Commission**  
**Area in Square Miles by Member Jurisdiction (Unaudited)**

December 31, 2002

Governmental Unit	Area In Square Miles
Ross County less City of Chillicothe	677.57
Delaware County less Cities of Columbus, Delaware, Dublin, Powell and Westerville	428.84
Fayette County Less City of Washington	406.54
The City of Columbus	216.16
Unincorporated Franklin County	199.22
The City of Dublin	24.16
The City of Delaware	16.95
The City of Grove City	14.29
The City of Hilliard	13.45
The City of Westerville	12.45
The City of Gahanna	11.33
The City of Reynoldsburg	8.04
The City of Upper Arlington	9.89
The City of Chillicothe	10.93
The Village of Groveport	8.80
The City of Pickerington	9.48
The Village of New Albany	8.30
The City of London	8.20
The City of Washington	7.21
The Village of Canal Winchester	6.75
The City of Worthington	6.39
The Village of Obetz	5.66
The City of Whitehall	5.34
The Village of West Jefferson	4.37
The Village of Powell	4.54
The City of Bexley	2.45
The Village of South Bloomfield	2.87
The City of Grandview Heights	1.35
The Village of Minerva Park	0.49
The Village of Urbancrest	0.49
The Village of Marble Cliff	0.31
The Village of Riverlea	0.20
The Village of Valley View	0.14
The Village of Brice	0.11
The Village of Lockbourne	0.11
The Village of Harrisburg	0.09
The Village of New Rome	0.02
Total area in square miles	2,133.49

Source: County Engineers, MORPC and Member Communities

**Mid-Ohio Regional Planning Commission**

**Benefits of Membership - Flow of Funds**

**FY 2002 (July 2001 to June 2002) Unaudited**

Members/Governmental Unit	Members Dues and Investments	Return Flow of Funds from Federal, State and Utility Companies				
		TOTAL	Transportation	Infrastructure	Franklin & Ross County CDBG	Energy Conservation*
<b>Dues</b>						
City of Bexley	\$5,208	\$5,340	\$0	\$0	\$0	\$5,340
City of Chillicothe	8,712	0	0	0	0	0
City of Circleville	0	0	0	0	0	0
The City of Circleville	0	0	0	0	0	0
City of Columbus	282,845	19,193,448	17,604,000	0	0	1,589,448
City of Delaware	10,547	217,623	217,623	0	0	0
City of Dublin	12,336	0	0	0	0	0
City of Gahanna	13,402	18,066	0	0	0	18,066
City of Grandview Heights	2,692	0	0	0	0	0
City of Grove City	11,528	3,412,978	995,085	2,403,525	6,552	7,816
City of Hilliard	9,591	870,149	0	842,500	14,690	12,959
City of London	3,483	0	0	0	0	0
City of Marysville	5,728	0	0	0	0	0
City of Pataskala	2,003	0	0	0	0	0
City of Pickerington	3,776	0	0	0	0	0
City of Powell	2,580	0	0	0	0	0
City of Reynoldsburg	12,800	1,253,088	90,750	1,136,000	17,325	9,013
City of Upper Arlington	13,682	102	0	0	0	102
City of Washington	5,437	0	0	0	0	0
City of Westerville	14,165	20,929	0	0	15,000	5,929
City of Whitehall	7,827	1,477,447	303,670	700,000	434,239	39,538
City of Worthington	5,729	24,799	0	0	18,538	6,261
Village of Ashley	1,822	0	0	0	0	0
The Village of Ashley	0	0	0	0	0	0
Village of Brice	800	0	0	0	0	0
Village of Canal Winchester	1,822	1,504,246	0	1,504,112	0	134
Village of Groveport	1,535	3,953	0	0	0	3,953
Village of Harrisburg	800	0	0	0	0	0
Village of Lockbourne	800	0	0	0	0	0
Village of Marble Cliff	800	0	0	0	0	0
Village of Minerva Park	800	0	0	0	0	0
Village of New Albany	1,629	785,652	0	785,652	0	0
Village of New Rome	800	578	0	0	0	578
Village of Obetz	1,645	1,740,164	1,719,200	0	17,627	3,337
Village of Riverlea	800	0	0	0	0	0
Village of South Bloomfield	0	0	0	0	0	0
Village of Urbancrest	800	9,365	0	0	9,365	0
Village of Valleyview	800	0	0	0	0	0
Village of West Jefferson	1,741	0	0	0	0	0
Mt Sterling	167	0	0	0	0	0
Violet Township	3,217	0	0	0	0	0
Unincorporated Franklin County	38,345	2,809,973	13,263	2,457,156	256,528	83,026
Delaware County	27,547	1,983,540	1,983,540	0	0	0
Fairfield County	4,719	1,773,720	1,773,720	0	0	0
Fayette County	5,970	0	0	0	0	0
Licking County	1,157	0	0	0	0	0
Pickaway County	0	0	0	0	0	0
Ross County - other	20,267	188,000	0	0	188,000	0
<b>Subtotal</b>	<b>\$552,854</b>	<b>\$37,293,160</b>	<b>\$24,700,851</b>	<b>\$9,828,945</b>	<b>\$977,864</b>	<b>\$1,785,500</b>
<b>Returns-not broken out by community</b>						
Housing	na	\$0	na	na	\$0	na
COTA	na	26,507,562	26,507,562	na	na	na
Franklin County/Regional	na	103,192,731	95,304,708	7,888,023	na	na
<b>Subtotal</b>	<b>\$0</b>	<b>\$129,700,293</b>	<b>\$121,812,270</b>	<b>\$7,888,023</b>	<b>\$0</b>	<b>na</b>
<b>Investments</b>						
MORPC Transportation Planning	\$1,405,982	na	na	na	na	na
MORPC Fr. Cty CDBG/HOME Admin.	210,781	na	na	na	na	na
MORPC Ross Cty Admin	12,800	na	na	na	na	na
MORPC Infrastructure Admin	164,158	na	na	na	na	na
MORPC Energy Conservation Admin	430,072	na	na	na	na	na
<b>Subtotal</b>	<b>\$2,223,793</b>	<b>na</b>	<b>na</b>	<b>na</b>	<b>na</b>	<b>na</b>
<b>GRAND TOTAL</b>	<b>\$2,776,647</b>	<b>\$166,993,453</b>	<b>\$146,513,121</b>	<b>\$17,716,968</b>	<b>\$977,864</b>	<b>\$1,785,500</b>

\*Energy Conservation flow of funds by governmental unit are estimated.

This report is compiled from accounting and other financial data and should be considered a non-GAAP report.

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#### **IV. SINGLE AUDIT SECTION**



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

To the Members  
Mid-Ohio Regional Planning Commission:

We have audited the financial statements of Mid-Ohio Regional Planning Commission ("MORPC") as of and for the year ended December 31, 2002, and have issued our report thereon dated May 20, 2003. 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 MORPC'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 MORPC'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 solely for the information and use of MORPC's board, management, its federal awarding agencies, and the Ohio Auditor of State and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Deloitte &amp; Touche".

May 20, 2003





## **INDEPENDENT AUDITORS' REPORT WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE AND SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

To the Members  
Mid-Ohio Regional Planning Commission:

### **COMPLIANCE**

We have audited the compliance of Mid-Ohio Regional Planning Commission ("MORPC") 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 its major federal program for the year ended December 31, 2002. MORPC's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of MORPC's management. Our responsibility is to express an opinion on MORPC's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 MORPC'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 of MORPC's compliance with those requirements.

In our opinion, MORPC complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended December 31, 2002.

### **INTERNAL CONTROL OVER COMPLIANCE**

The management of MORPC 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 MORPC'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 compliance would not necessarily disclose all matters in the internal control 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 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.

#### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

We have audited the financial statements of MORPC as of and for the year ended December 31, 2002, and have issued our report thereon dated May 20, 2003. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. This schedule is the responsibility of the management of MORPC. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of MORPC's board, management, its federal awarding agencies, and the Ohio Auditor of State and is not intended to be and should not be used by anyone other than these specified parties.

*Deloitte & Touche LLP*

May 20, 2003

MID-OHIO REGIONAL PLANNING COMMISSION  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the year ended December 31, 2002

Federal grantor / pass-through grantor/ program title	Federal CFDA number	Pass-through grantor's number	Program or award amount	Accrued (deferred) revenue at Jan. 1, 2002	Cash Received	Federal Expenditures	Accrued (deferred) revenue at Dec. 31, 2002
<b>Federal Highway Administration:</b>							
<b>Passed through Ohio Department of Transportation:</b>							
FY 2002 Rideshare Program	20.205	9219/463450	472,500	26,473	427,040	402,046 **	1,479
FY 2003 Rideshare Program	20.205	9219/464840	564,500	-	142,075	177,752	35,677
Vanpool Incentive Program	20.205	8398/460710	40,000	-	24,115	24,115	-
Transportation to Jobs	20.205	9219/461580	85,000	34,084	34,084	-	-
East Corridor Study	20.205	8207/131864	160,000	5,043	22,327	17,284	-
Supplemental Planning Activity	20.205	8608/465670	230,000	-	-	27,535	27,535
STP AQ Data Collection & Evaluation	20.205	465680	125,000	-	-	2,925	2,925
COTMP Central OH Traffic Mgmt Program	20.205	9746/462330	331,211	7,837	30,357	22,626	106
Central OH Regional Rail Study (CORRS)	20.205	9219/462440	250,000	1,881	3,067	1,176	-
Ozone Awareness	20.205	9219/462710	150,000	237	15,021	14,784	-
Freeway Management System	20.205	9219/463150	160,000	577	1,442	865	-
Freeway Management System II	20.205	9219/463670	240,000	-	15,189	15,189	-
Transit Oriented Development Education	20.205	9219/463690	25,000	6,056	12,175	6,119	-
CORTRAN O & O	20.205	9219/463350	100,000	7,819	63,870	58,051	-
Travel Model Improvement Study	20.205	9219/462700	250,000	52,107	147,827	95,720	-
Travel Model Improvement Study II	20.205	9219/463820	750,000	-	484,447	573,036 ***	88,589
Coordinated Traveler Info	20.205	9219/463820	250,000	520	27,270	28,738	1,988
Franklin/Delaware Growth Management	20.205	9219/463830	40,000	-	24,583	27,194	2,611
Total Ohio Department of Transportation				142,644	1,476,889	1,495,155	160,910
Total Federal Highway Administration				142,644	1,476,889	1,495,155	160,910
<b>Federal Transit Administration:</b>							
<b>Passed through Ohio Department of Transportation:</b>							
FY 2002	20.505	9219/165021	1,124,787	67,501	651,671	584,170	-
FY 2003	20.505	9219/165031	1,156,403	-	550,690	627,697	77,007
Total Ohio Department of Transportation				67,501	1,202,361	1,211,867	77,007
<b>Passed through Central Ohio Transit Authority:</b>							
Livable Communities (Northeast Transit Center)	20.500	OH-03-0149	400,000	(3,237)	(3,237)	-	-
N. Corridor Project Management Plan	20.500	0937Q	20,000	-	20,000	20,000	-
North Corridor New Starts-COTA	20.500	0937S	13,154	-	6,918	10,523	3,605
Total Pass through COTA				(3,237)	23,681	30,523	3,605
Total Federal Transit Administration				64,264	1,226,042	1,242,390	80,612
<b>U.S. Department of Energy:</b>							
<b>Passed Through Ohio Department of Development:</b>							
Weatherization Assistance FY 2001 #138	81.042	01-138	286,347	(8,617)	60,860	69,477	-
Weatherization Assistance FY 2001 #140	81.042	01-140	349,999	8,811	82,969	73,558	-
Weatherization Assistance FY 2002 #138	81.042	02-138	336,282	-	225,397	231,492	6,095
Weatherization Assistance FY 2002 #140	81.042	02-140	349,999	-	273,484	263,334 ****	(10,150)
Total for Ohio Department of Development				194	642,110	637,861	(4,055)

continued

MID-OHIO REGIONAL PLANNING COMMISSION  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the year ended December 31, 2002

Federal grantor / pass-through grantor/ program title	Federal CFDA number	Pass-through grantor's number	Program or award amount	Accrued (deferred) revenue at Jan. 1, 2002	Cash Received	Federal Expenditures	Accrued (deferred) revenue at Dec. 31, 2002
<b>Passed Through Ohio Department of Development:</b>							
Stripper Funds FY 2001 #140	81.01-140	01-140	2,764	(70)	-	70	-
Total for CFDA 81.				(70)	0	70	-
Total U.S. Department of Energy				124	642,110	637,931	(4,055)
<b>U.S. Department of Health and Human Services:</b>							
<b>Passed Through Ohio Department of Development:</b>							
Weatherization Assistance FY 2001 #138	93.568	01-138	164,372	(23,970)	25,257	49,227	-
Weatherization Assistance FY 2001 #140	93.568	01-140	206,909	(20,881)	55,531	76,412	-
Weatherization Assistance FY 2002 #138	93.568	02-138	142,124	-	23,688	3,050	(20,638)
Weatherization Assistance FY 2002 #140	93.568	02-140	241,725	-	95,467	81,600	(13,867)
Total for CFDA 93.568				(44,851)	195,943	210,289	(34,505)
Total U.S. Department of Health and Human Services				(44,851)	195,943	210,289	(34,505)
<b>U.S. Department of Housing and Urban Development:</b>							
HOPE 3 Sales Proceeds	14.240	N/A		(149,966)	17,091	91,478	(75,579)
Total for CFDA 14.240				(149,966)	17,091	91,478	(75,579)
<b>Passed through the City of Columbus:</b>							
Community Development Block Grant FY 2000 - HWAP #140	14.218	DL-001591	54,000	5,121	21,964	16,843	-
Total City of Columbus				5,121	21,964	16,843	-
Total U.S. Department of Housing and Urban Development				(144,845)	39,055	108,321	(75,579)
Total Federal Financial Assistance Program				17,336	3,584,039	3,694,086	127,363

\*\* Includes \$22,408 of contributed capital expenditures relating to the purchase of equipment.

\*\*\* Includes \$5,000 of contributed capital expenditures relating to the purchase of equipment.

\*\*\*\* Includes \$5,464 of contributed capital expenditures relating to the purchase of equipment.

# **MID-OHIO REGIONAL PLANNING COMMISSION**

## **NOTES TO SCHEDULE OF FEDERAL AWARDS DECEMBER 31, 2002**

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### **1. GENERAL**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial award programs of MORPC. MORPC's reporting entity is defined in Note 1 to MORPC's financial statements.

### **2. BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to MORPC's financial statements.

### **3. RELATIONSHIP OF FEDERAL FINANCIAL REPORTS**

Amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial statements.

# MID-OHIO REGIONAL PLANNING COMMISSION

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS DECEMBER 31, 2002

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### 1. SUMMARY OF AUDITORS' RESULTS

- (a) The type of report issued on the financial statements: **Unqualified opinion**
- (b) Reportable conditions in internal control were disclosed by the audit of the financial statements: **None reported**
- (c) Noncompliance which is material to the financial statements: **None**
- (d) Reportable conditions in internal control over the major program: **None reported**
- (e) The type of report issued on compliance for the major program: **Unqualified opinion**
- (f) Any audit findings which are required to be reported under section .510(a) of OMB Circular A-133: **None**
- (g) Major programs: **Federal Transit Technical Studies (CFDA #20.505)**
- (h) Dollar threshold used to distinguish between Type A and Type B programs: **\$300,000**
- (i) Auditee qualified as a low-risk auditee under section .530 of OMB Circular A-133: **Yes**

### 2. FINDINGS RELATING TO THE GENERAL PURPOSE FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

None

### 3. FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL AWARDS:

None



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Betty Montgomery**

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**MID-OHIO REGIONAL PLANNING COMMISSION**

**FRANKLIN 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  
AUGUST 19, 2003**