



**Auditor of State  
Betty Montgomery**



**REGIONAL PLANNING COMMISSION  
MERCER COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Accountants' Report.....	1
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balance – General Fund - For the Year Ended December 31, 2003 .....	3
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balance – General Fund - For the Year Ended December 31, 2002 .....	4
Notes to the Financial Statements .....	5
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	9

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Regional Planning Commission  
Mercer County  
220 W. Livingston Street, Rm. A201  
Celina, OH 45822

To the Commission:

We have audited the accompanying financial statements of the Regional Planning Commission, Mercer County, (the Commission), as of and for the years ended December 31, 2003 and 2002. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Commission prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances of the Commission as of December 31, 2003 and 2002, and its cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 1, 2004, on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of the Board and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

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

**Betty Montgomery**  
Auditor of State

April 1, 2004

REGIONAL PLANNING COMMISSION  
MERCER COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>General</u>
<b>Cash Receipts:</b>	
Fees Charged to Subdivisions	\$3,905
Grants - Local	<u>4,000</u>
Total Cash Receipts	<u>7,905</u>
<b>Cash Disbursements:</b>	
Salaries	1,512
Supplies	73
Contracts - Services	1,966
Travel	517
Public Employee's Retirement	239
Other	<u>107</u>
Total Disbursements	<u>4,414</u>
Total Receipts Over Disbursements	3,491
Fund Cash Balance, January 1	<u>6,621</u>
<b>Fund Cash Balance, December 31</b>	<u><u>\$10,112</u></u>

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

REGIONAL PLANNING COMMISSION  
MERCER COUNTY

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>General</u>
<b>Cash Receipts:</b>	
Fees Charged to Subdivisions	\$3,984
Grants - Local	<u>7,000</u>
Total Cash Receipts	<u>10,984</u>
<b>Cash Disbursements:</b>	
Salaries	1,512
Supplies	70
Contracts - Services	2,013
Travel	504
Public Employee's Retirement	202
Other	<u>62</u>
Total Disbursements	<u>4,363</u>
Total Receipts Over Disbursements	6,621
Fund Cash Balance, January 1	<u>          </u>
<b>Fund Cash Balance, December 31</b>	<u><u>\$6,621</u></u>

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



**REGIONAL PLANNING COMMISSION  
MERCER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Regional Planning Commission, Mercer County, (the Commission), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Commission is directed by a 13 member Board. The Board consists of: Mercer County Engineer and Mercer County Health Commissioner or their designated representative; seven members (one for each two townships) representing the county; a member representing the City of Celina, a member representing the Village of Coldwater, and two At-Large members appointed by the Board of County Commissioners.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

**C. Cash and Investments**

As required by Ohio Revised Code, the Mercer County Treasurer is the custodian of the Commission's monies. The Commission's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount.

**D. Fund Accounting**

The Commission uses fund accounting to segregate cash and investments that are restricted as to use. The Commission classifies its funds into the following type:

**1. General Fund**

The General Fund is the general operating fund of the Commission and is used to account for all financial resources.

**E. Budgetary Process**

The Commission budgets the General Fund annually.

**1. Appropriations**

The Board annually approves appropriations and subsequent amendments. The Budgetary expenditures (that is, allocations or appropriations) shall be limited by and not exceed the budget as prepared by the Commission. Appropriations lapse at year end.

**REGIONAL PLANNING COMMISSION  
MERCER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(Continued)**

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

**2. Estimated Resources**

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

**3. Encumbrances**

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

A summary of 2003 and 2002 budgetary activity appears in Note 2.

**F. Property, Plant and Equipment**

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

**2. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2003 and December 31, 2002 follows:

<b>2003 Budgeted vs. Actual Receipts</b>			
<b>Fund Type</b>	<b>Budgeted Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
General	\$7,800	\$7,905	\$105

<b>2003 Budgeted vs. Actual Budgetary Basis Expenditures</b>			
<b>Fund Type</b>	<b>Appropriation Authority</b>	<b>Budgetary Expenditures</b>	<b>Variance</b>
General	\$9,000	\$4,414	\$4,586

<b>2002 Budgeted vs. Actual Receipts</b>			
<b>Fund Type</b>	<b>Budgeted Receipts</b>	<b>Actual Receipts</b>	<b>Variance</b>
General	\$10,984	\$10,984	\$0

<b>2002 Budgeted vs. Actual Budgetary Basis Expenditures</b>			
<b>Fund Type</b>	<b>Appropriation Authority</b>	<b>Budgetary Expenditures</b>	<b>Variance</b>
General	\$8,476	\$4,363	\$4,113

**REGIONAL PLANNING COMMISSION  
MERCER COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(Continued)**

**3. RETIREMENT SYSTEMS**

The Commission's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2003 and 2002, PERS members contributed 8.5% of their gross salaries. The Commission contributed an amount equal to 13.55 % of participants' gross salaries. The Commission has paid all contributions required through December 31, 2003.

**4. RISK MANAGEMENT**

**Commercial Insurance**

The Commission has not obtained a separate commercial insurance policy due to comprehensive property and general liability coverage and errors and omissions coverage held by Mercer County. All meetings of the Commission are conducted on the property of the Mercer County Commissioners. Accounting policies are structured in which the funds of the Commission are handled by county employees. The Commission does not own any vehicles.

**Risk Pool Membership**

Mercer County is a member of the Midwest Pool Risk Management Association (MPRMA), a five-county self-insurance pool (the Pool). The Pool assumes the risk of loss up to the limits of the Mercer County's policy.

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**Auditor of State  
Betty Montgomery**

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

Regional Planning Commission  
Mercer County  
220 W. Livingston Street, Rm. A201  
Celina, OH 45822

To the Commission:

We have audited the accompanying financial statements of the Regional Planning Commission, Mercer County (the Commission), as of and for the years ended 2003 and 2002, and have issued our report thereon dated April 1, 2004. 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 the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted a certain immaterial instance of noncompliance that we have reported to management of the Commission in a separate letter dated April 1, 2004.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Commission's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the Commission in a separate letter dated April 1, 2004.

Regional Planning Commission  
Mercer County  
Independent Accountants' Report on Compliance and on Internal Control  
Required by *Government Auditing Standards*  
Page 2

This report is intended solely for the information and use of the Board and is not intended to be and should not be used by anyone other than these specified parties.

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

**Betty Montgomery**  
Auditor of State

April 1, 2004



**Auditor of State  
Betty Montgomery**

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**MERCER COUNTY REGIONAL PLANNING COMMISSION**

**MERCER 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  
APRIL 27, 2004**