



**Auditor of State
Betty Montgomery**

**REGIONAL PLANNING COMMISSION
VAN WERT COUNTY**

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**Auditor of State
Betty Montgomery**

REPORT OF INDEPENDENT ACCOUNTANTS

Regional Planning Commission
Van Wert County
114 East Main Street
Suite 1
Van Wert, Ohio 45891

To the Board of Commissioners:

We have audited the accompanying financial statements of Regional Planning Commission (the Commission), Van Wert County, 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 accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances and reserves for encumbrances 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 June 24, 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.

Regional Planning Commission
Van Wert County
Report of Independent Accountants
Page 2

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

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

Betty Montgomery
Auditor of State

June 24, 2004

REGIONAL PLANNING COMMISSION
VAN WERT 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> |
|---------------------------------------|-----------------|
| Cash Receipts: | |
| Fees Charged to Subdivisions | \$13,862 |
| Other Receipts | 665 |
| | <hr/> |
| Total Cash Receipts | 14,527 |
| | <hr/> |
| Cash Disbursements: | |
| Current: | |
| Salaries | 6,819 |
| Supplies | 1,234 |
| Equipment | 2,397 |
| Contracts - Services | 1,175 |
| Travel | 182 |
| Public Employee's Retirement | 1,106 |
| Worker's Compensation | 53 |
| Health Insurance | 1,989 |
| Other | 3,433 |
| | <hr/> |
| Total Cash Disbursements | 18,388 |
| | <hr/> |
| Total Receipts (Under) Disbursements | (3,861) |
| Fund Cash Balance, January 1 | 19,792 |
| | <hr/> |
| Fund Cash Balance, December 31 | \$15,931 |
| | <hr/> <hr/> |
| Reserve for Encumbrances, December 31 | \$379 |
| | <hr/> <hr/> |

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

**REGIONAL PLANNING COMMISSION
VAN WERT COUNTY**

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

| | General |
|---------------------------------------|-----------------|
| Cash Receipts: | |
| Fees Charged to Subdivisions | \$16,080 |
| Other Receipts | 6 |
| Total Cash Receipts | 16,086 |
| Cash Disbursements: | |
| Current: | |
| Salaries | 5,995 |
| Supplies | 992 |
| Equipment | 1,455 |
| Contracts - Services | 377 |
| Travel | 124 |
| Public Employee's Retirement | 805 |
| Health Insurance | 1,429 |
| Other | 1,527 |
| Total Cash Disbursements | 12,704 |
| Total Receipts Over Disbursements | 3,382 |
| Fund Cash Balance, January 1 | 16,410 |
| Fund Cash Balance, December 31 | \$19,792 |
| Reserve for Encumbrances, December 31 | \$967 |

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

**REGIONAL PLANNING COMMISSION
VAN WERT 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 (the Commission), Van Wert County, 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 thirty member Board. The Board consists of representatives from participating political subdivisions, the county commissioners, and appointed citizens. The Commission formulates and reviews plans affecting long and short term social, economic, and governmental development within the region. The participating subdivisions are:

| | | |
|----------------------|-------------------|-------------------------|
| City of Van Wert | Village of Convoy | Village of Middle Point |
| Village of Ohio City | Village of Scott | York Township |
| Village of Willshire | Village of Wren | Harrison Township |
| Hoaglin Township | Jackson Township | Jennings Township |
| Liberty Township | Pleasant Township | Ridge Township |
| Tully Township | Union Township | Washington Township |
| Willshire Township | | |

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 Van Wert 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. It is used to account for all financial resources except those required to be accounted for in another fund.

**REGIONAL PLANNING COMMISSION
VAN WERT COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The Commission budgets each fund annually.

1. Appropriations

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

2. Estimated Resources

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

3. Encumbrances

The Commission reserves (encumbers) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 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.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the basis of accounting the Commission uses.

2. BUDGETARY ACTIVITY

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

| 2003 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|----------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$14,521 | \$14,527 | \$6 |
| | \$14,521 | \$14,527 | \$6 |

| 2003 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|----------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$18,700 | \$18,767 | (\$67) |
| | \$18,700 | \$18,767 | (\$67) |

**REGIONAL PLANNING COMMISSION
VAN WERT COUNTY**

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

2. BUDGETARY ACTIVITY (Continued)

| 2002 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|----------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$16,000 | \$16,086 | \$86 |

| 2002 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|----------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$18,700 | \$13,671 | \$5,029 |

3. RETIREMENT SYSTEM

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 is included in Van Wert County's commercial insurance policies for the following risks:

- Comprehensive property and general liability;
- Public Officials Liability.

The Commission's full time employees are covered under the County's health insurance and dental and vision coverage through a private carrier.

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**Auditor of State
Betty Montgomery**

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

Regional Planning Commission
Van Wert County
114 East Main Street
Suite 1
Van Wert, Ohio 45891

To the Board of Commissioners:

We have audited the financial statements of Regional Planning Commission (the Commission), Van Wert County, as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated June 24, 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*.

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 June 24, 2004.

Regional Planning Commission
Van Wert County
Report of Independent Accountants 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 audit committee, management and the Board of Commissioners, and is not intended to be and should not be used by anyone other than these specified parties.

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

Betty Montgomery
Auditor of State

June 24, 2004



**Auditor of State
Betty Montgomery**

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VAN WERT REGIONAL PLANNING COMMISSION

VAN WERT 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 10, 2004**