COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR
FISCAL YEAR ENDED DECEMBER 31, 2006

Prepared by

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MORPC

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Auditor of State

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We have reviewed the *Independent Auditors' Report* of the Mid Ohio Regional Planning Commission, Franklin County, prepared by Deloitte & Touche LLP, for the audit period January 1, 2006 through December 31, 2006. 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.

Mary Taylor

Mary Taylor, CPA
Auditor of State

August 15, 2007

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MID-OHIO REGINAL PLANNING COMMISSION

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IV. Single Audit Section:

I. INTRODUCTORY SECTION

Mid-Ohio Regional Planning Commission
An association of local governments providing planning, programs and services for the region.

June 29, 2007

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, 2006. 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 report will be available on MORPC's website at www.morpc.org.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

The MORPC 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 urbanized area.

The member governments appoint representatives (currently 79) who make up the Commission, the policy-making body of the organization, and the oversight board. MORPC is a political subdivision of Ohio and a non-profit organization exempt from federal income tax 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* and GASB 39, *Determining Whether Certain Organizations are Component Units, an Amendment of GASB Statement 14.* 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 holds only 13 of 79 seats on MORPC's governing board;
- MORPC is not fiscally dependent on Franklin County; and
- MORPC provides services to members outside of Franklin County;

There are no agencies or organizations, which could be considered a component unit of MORPC.

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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. Among 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 addressing 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.

In December, 2006 MORPC welcomed a new executive director, Chester R. Jourdan, Jr. of Port Neches, Texas. He succeeded William C. Habig who retired from MORPC in February, 2006 after serving the agency for over 39 years. Mr. Jourdan, a native of Texas, served for 6 years as executive director of the Southeast Texas Regional Planning Commission in Beaumont, Texas.

In South East Texas, Jourdan developed effective working relationships with the region's state and congressional legislative delegation, federal and state agency heads, and administrative officials in Texas and Washington, D.C. He also built effective networks and alliances to address the many public, commercial, transportation, and industrial issues impacting the region. Additionally, he actively participated in the creation of the Texas Emission Reduction Plan (TERP). TERP serves as the model for the nation in how a state can provide leadership and funding to clean up older diesel fleets, trains and construction equipment.

Jourdan earned a Master of Arts degree in Urban and Regional Affairs from the University of Texas at Arlington and has completed doctoral course work focused on organizational management, urban economics, planning, public policy and public administration. He received a Bachelor of Science degree in political science at Stephen F. Austin State University.

MAJOR INITIATIVES, OPPORTUNITIES AND CHALLENGES

With wide-ranging programs and established relationships around the central Ohio community, MORPC functions not only as a catalyst for change but also as a commission that facilitates the convergence of diverse interests and organizations. This convergence reflects and enables interrelated goals to be achieved while remaining unified in one pursuit – improving the quality of life in central Ohio. 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 473,000 people by 2030, providing many new opportunities and challenges.

Transportation: Mobility, Safety and Connectivity

Transportation is the key to connecting and moving people, goods and services. We live in a mobile society. Whether it is getting to work by car, biking to the store, or moving freight, transportation is at the forefront of ensuring a high quality of life for the region.

MORPC provides critical funding by allocating federal transportation funds to our members and provides technical and oversight assistance to ensure key transportation projects happen in our communities.

On the north side of Columbus, MORPC allocated federal funds for $13.8 million of the almost $17 million project to widen the section of Hard Road between Smokey Row Road and Linworth road to 5 lanes. This project also includes a railroad grade separation, bikeways and sidewalks.

The demolition of the old Main Street Bridge in downtown Columbus began in August 2006. The new bridge will have a signature design with significant pedestrian accommodations including bikeways. The bridge is scheduled to be open in the middle of 2009. MORPC worked closely with the Ohio Department of Transportation (ODOT), the Ohio Public Works Commission and the City of Columbus on this project. Approximately $6.7 million of the nearly $44 million dollar cost of the project was paid from federal funds allocated by MORPC.

MORPC allocated almost $6.5 million in federal funds for the $11 million construction of a roundabout at US 62 and Morse Road including bridge replacements on two legs of the intersection. This is a joint project by the Franklin County Engineer's Office, City of Columbus, ODOT, City of Gahanna, and Village of New Albany.

Congestion relief, improved safety and more biking options are some of the important benefits to occur on Norton Road between Hall Road and Broad Street on the west side of Columbus. The project includes widening Norton to five lanes and adding bikeways. MORPC is allocating federal funds for approximately $11 million of the almost $14 million dollar project expected to be complete the end of 2007.

MORPC joined forces with ODOT and held a safety conscious planning workshop on roadway safety for the region. Participants listened to MORPC presentations and contributed in breakout sessions about identified, local high-hazard locations.

MORPC began working on a Data Port website in 2006 to help the community keep up with demographics, economic development and transportation in the region. The informational website located at http://dataport.morpc.org has many features including a map room and a Geographic Information System (GIS) guide. The Data Port also functions as a one-stop shop for regional contacts and information.

The Rickenbacker Industrial Airport is one of the most rapidly developing industrial areas in the region. MORPC was called upon to help prepare and plan for the increased development by conducting the *Rickenbacker Area Road Network Assessment Study*. The study indicated various road improvements and the necessity of various local governments and jurisdictions to review and update their planning guidelines. MORPC will continue to play an active role in this multi-stakeholder planning process.

MORPC's RideSolutions program provides free ridesharing options to commuters, human service agencies, public transportation providers and employers. RideSolutions was part of the team that kept the Defense Supply Center, Columbus (DSCC) open during the Base Realignment and Closure (BRAC) process. Additionally, when the Defense Finance and Accounting Service (DFAS) in Kettering closed, 400 of their employees were relocated to DSCC. RideSolutions offered vanpool and carpool options to alleviate these workers' longer commute.

Discover Financial Services also faced the challenge of trying to retain employees being relocated to their New Albany worksite. Turning to RideSolutions, two new vanpools were formed and many new carpools. Believing in MORPC's vanpool program, Discover continues to pay 30 percent toward each vanpool.

In 2006, RideSolutions launched a self-automated rideshare matching service at www.rideshareohio.com. Cincinnati and Dayton's rideshare programs are also partners in the new online tool.

MORPC partnered with the Central Ohio Transit Authority (COTA) and ODOT in an innovative program allowing COTA buses to use the shoulder of interstate freeways during congested times. COTA has implemented, on a pilot basis, the use of buses on the freeway shoulders along I-70 east of downtown Columbus. MORPC and COTA staff will evaluate the Freeway Bus Shoulder Pilot Project by monitoring safety, freeway operations, and transit performance.

MORPC began hosting a quarterly forum for central Ohio transit agencies to share information and improve cooperation. Attendees from transit agencies in Franklin, Delaware, Licking and Fairfield counties and the ODOT Office of Transit have discussed transportation evacuation planning efforts, Coordinated Plans and transit funding issues.

Major Transportation Projects 2006:
MORPC's Federal Allocation

Widening of Hard Road with Bikeways, Sidewalks, and Railroad Grade Separation	$13,800,000
Main Street Bridge	$ 6,700,000
U.S. 62 and Morse Road Roundabout and Bridge Widening	$ 6,500,000
Widening Norton Road, Adding Bikeways	$11,000,000

Green Choices: Environment and Energy

One significant factor in making the region better for everyone is making green choices. MORPC helps central Ohioans learn more about environmentally friendly choices to conserve energy and water resources, protect natural areas, and restore our water and air quality.

The Central Ohio Greenways Implementation Guide was produced to assist central Ohio communities to preserve, develop and maintain open space or natural area along a watercourse. Greenways can be used to connect people with parklands, natural or historic sites, and enhance and protect recreation opportunities, natural habitat and scenic areas.

Funding for the guidebook was provided by the City of Columbus Public Utilities Department, Division of Sewerage and Drainage; the City of Columbus Recreation and Parks Department; and the Columbus and Franklin County Metro Parks.

The Greenways Pilot Prairie Project worked with companies and municipalities to convert six acres of industrial lawn in central Ohio to prairie and educate their employees on the benefits of prairie to the environment. Participating entities are: Ashland Chemical Company, COSI, City of Dublin, City of Reynoldsburg, Delaware Preservation Parks, Tolles Career & Technical Center and Columbus Public Utilities. Funding for this project was provided by the Ohio Environmental Education Fund of the Ohio EPA.

The Mid-Ohio Diesel Project: The project focused on nonroad and on-road diesel engine emission reductions for air quality improvements in the region. A result of this project was an invitation for the MORPC Air Quality Committee to serve on the Midwest Clean Diesel Leadership Group, created by the U.S. Environmental Protection Agency. The goal of the leadership group is to reduce emissions from a million diesels in the Midwest by 2010.

MORPC's Air Quality Committee commissioned an Air Quality Economic Impact Study for central Ohio in partnership with the City of Columbus, Caterpillar, OhioCAT and the Columbus Chamber. The study was initiated to better understand the potential job and income losses that the region could experience due to failure to meet federal ozone and particle pollution clean-up deadlines. Faculty and graduate students at the Ohio University's Voinovich Center for Leadership and Public Affairs and Economic Department conducted the study.

Energy Initiatives: The Green Roof Subcommittee and the Greenways Program Steering Committee joined forces to research and present the benefits of a green roof. A green roof is covered with living plants that grow under controlled conditions with economic and environmental benefits, including the reduction of energy costs. MORPC's Residential Energy Conservation services assist homeowners in being energy smart by inspecting and weatherizing homes. A properly weatherized home can average a 30 percent savings in energy costs.

Healthy Places to Live and Work

MORPC is dedicated to helping the region develop and maintain healthy communities through partnerships and relationships with our local governments, businesses, financial institutions, local organizations and homeowners.

MORPC's housing rehabilitation program allows communities to retain the valuable tradition and character of older homes and neighborhoods.

For 30 years, MORPC has been implementing the Franklin County Single Family Housing Rehabilitation Program on behalf of the Franklin County Commissioners. The program is designed to correct code deficiencies, remove lead-based paint hazards and make the house safe for the family and the neighborhood.

MORPC also works with the Columbus Compact Empowerment Zone Rehabilitation Program to provide housing repair assistance to homeowners residing within the Columbus Empowerment Zone.

In 2006, over $26 million in state grant funds were awarded to central Ohio communities to make critical infrastructure improvements, revitalize neighborhoods, and preserve open spaces. These grant funds came from Ohio's Public Works Commission, Revitalization Fund and Clean Ohio Program. MORPC ensures that the region is receiving these available resources by coordinating the local grant selection process and providing technical grant writing services to local governments.

Working with counties, cities, homeowners and homebuyers, MORPC delivers services that support a healthy, sustainable community focus. On behalf of the City of Marysville, MORPC administers their Community Housing Improvement Program. This program will repair or replace roofs, and update plumbing and electrical systems at no charge to homeowners. Forgivable loans to repair or replace major systems in a home such as plumbing or structural problems are also available. For first-time homebuyers, down payment assistance with rehabilitation is offered as a deferred loan. These programs are funded by the ODOD.

MORPC and Ross County have jointly administered a Community Housing Improvement Program for over 15 years for income-eligible residents residing outside the city limits of Chillicothe. The program offers grants for home repairs and deferred loans to rehabilitate an entire home. For first-time homebuyers in Ross County, down payment and rehabilitation assistance is available.

MORPC also administers the Joint Columbus and Franklin County Housing Advisory Board, which reviews applications for the development of low-income rental housing in Franklin County.

MORPC is helping communities reduce their energy burden through its Residential Energy Conservation Program (RECP). MORPC has provided weatherization services to low-income renters and homeowners throughout Franklin County and the City of Columbus for over 18 years. Energy-efficient furnaces and hot water tanks, as well as the installation of sidewall and attic insulation, help control energy use and reduce heating and cooling bills. These services are funded by Columbia Gas of Ohio and the Ohio Department of Development, Office of Energy Efficiency.

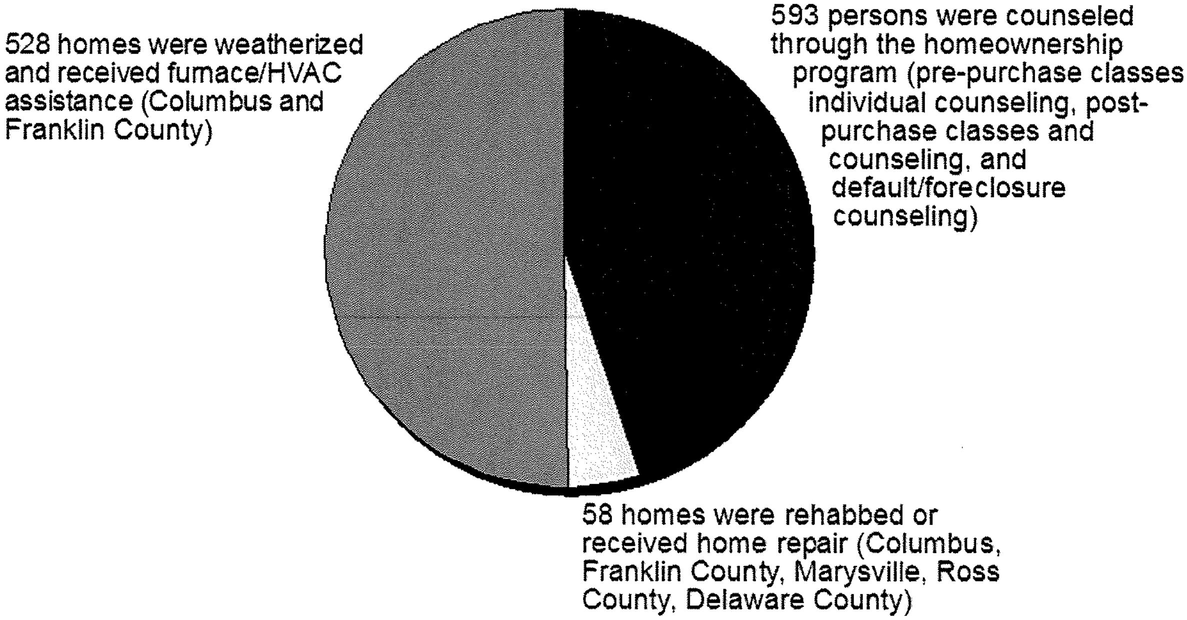
In 2006, MORPC and Columbia Gas were recognized by the American Council for an Energy Efficient Economy as an exemplary Low-income Energy Efficiency Program and a Best Practice Model.

MORPC provides homeownership education and counseling to prepare prospective first-time homebuyers to buy, maintain and keep a home. MORPC also offers a post-purchase counseling program for first-time homeowners who bought their homes within the last 24 months.

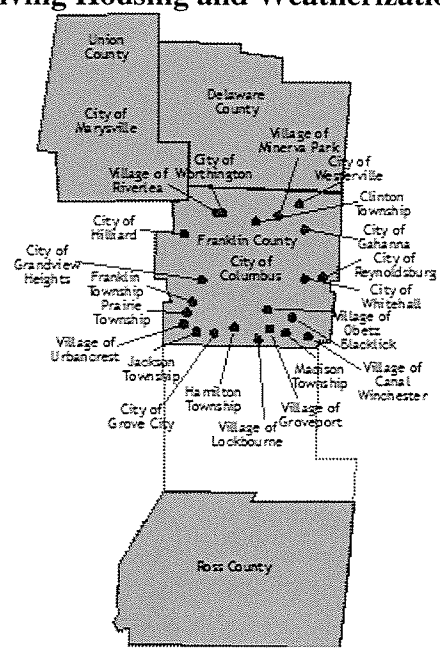
MORPC's Default/Foreclosure Program provides counseling for homeowners facing the loss of their home. MORPC believes that financial education services are the key to slowing down the region's foreclosure rate. Trained housing counselors provide loss mitigation counseling and assistance to clients who are three to six months behind on their mortgage payments.

Funding for MORPC'S homeownership education and counseling, as well as the Default/Foreclosure Program is provided by the Columbus Foundation (Lois S. Chope Memorial Fund), Third Federal, HSBC-North America, Fifth Third Bank and Federal Home Loan Bank of Cincinnati, the Huntington National Bank, the city of Columbus, the U.S. Department of Housing and Urban Development, and the Ohio Housing Trust Fund.

2006 MORPC's Housing and Weatherization Benefits to the Region



Communities Receiving Housing and Weatherization Services in 2006:



Regional Connections

2006 was both a year of transition for the Regional Connections project and preparation to move into the next phase of creating a shared vision for central Ohio's future. The vision is being drawn from the energy and ideas of residents, governments, businesses, non-profit agencies and others. Participants in Regional Connections share a collective desire to address future growth in more rational, cost-effective and equitable ways and to do so in spirit of regional cooperation.

In 2007 the Regional Connections report will be published and MORPC will begin to implement its vision and plans. Working with our valued regional partners in both the public and private sector, MORPC will begin to provide central Ohio decision makers with the tools, education and support to make the planning and policy decisions that benefit both their communities and the region as a whole.

Informing Our Local Leaders

MORPC kept busy in 2006 with a variety of initiatives designed to reach out and inform our local community leaders. One popular service is MORPC's annual Salary Survey, which consists of data from local governments on their current position structure, employee benefits and salaries. In 2006 this comprehensive guide became available on-line.

MORPC also organized and hosted the Ohio Association of Regional Councils' (OARC) 2006 Ohio Gubernatorial Forum, a gathering of nearly 300 local officials from around the state at Columbus' historic Westin Great Southern Hotel. The event educated and informed the audience and gubernatorial candidates on issues of great importance to the state's regions including transportation, economic development and the environment.

OARC is comprised of 21 regional agencies, including MORPC, which serve 1,525 local governments representing over 10.5 million residents of those communities around Ohio.

MAJOR ACCOMPLISHMENTS OF 2006

Goal 1 – Increase regional cooperation.

Regional Growth Strategy (Regional Connections)

2006 was both a year of transition for the Regional Connections project and preparation to move into the next phase of creating a shared vision for central Ohio's future. The vision is being drawn from the energy and ideas of residents, governments, businesses, non-profit agencies and others. Participants in Regional Connections share a collective desire to address future growth in more rational, cost-effective and equitable ways and to do so in a spirit of regional cooperation.

Greenways Implementation

The Central Ohio Greenways Implementation Guide was produced to assist central Ohio communities to preserve, develop and maintain open space or natural area along a watercourse. Greenways can be used to connect people with parklands, natural or historic sites, and enhance and protect recreational opportunities, natural habitat and scenic areas. Funding for the guidebook was provided by the City of Columbus Public Utilities Department, Division of Sewerage and Drainage; the City of Columbus Recreation and Parks Department; and the Columbus and Franklin County Metro Parks.

Goal 2 – Improve the regional environment.

Air Quality

A total of 17 Air Quality Alerts were issued during the year. The Air Quality Committee received updates throughout the year on central Ohio's ozone and PM2.5 non-attainment issues by Ohio EPA and MORPC staff. Staff produced articles and information resources on the impacts of ozone and particle pollution for MORPC's website, http://airquality.morpc.org; and print publications, including MORPC's *Horizons* newsletter, *The Columbus Dispatch,* and community news papers. Staff also published a series of articles on the region's ozone and PM2.5 nonattainment challenges in *Regional eSource,* MORPC's monthly electronic newsletter. Information displays were set up at community events and company sponsored transportation fairs. Air quality information was presented to community groups on mobile emission sources and voluntary actions the public can take to reduce emissions, such as using COTA, carpooling, vanpooling, trip chaining, and cycling.

Staff worked with the media and through outreach to educate the public about impacts of unhealthy air and measures to mitigate these effects. In July, MORPC air quality program staff and its air quality forecasting consultants (Sonoma Technology) visited with local television station meteorologists at NBC Channel 4, CBS Channel 10 and Ohio News Network to provide an overview of MORPC's air quality forecasting program and public messages to use during Air Quality Alerts. MORPC hosted WBNS Channel 10's morning show from 5am – 8am at the MORPC building as part of the news show's special coverage of air quality.

Staff was also instrumental in monitoring OEPA's operation of the central Ohio Air quality monitoring network. Tasks include coordinating meetings with OEPA, MORPC, and Sonoma, updates to the Air Quality Committee, and working with local media.

MORPC developed a new partnership with Columbus Public Health to create more awareness and focus on the health effects of air pollution. MORPC will continue to issue Air Quality Alerts to the media including promoting voluntary actions for the community to follow; however the health department will take over the responsibility of addressing the health concerns that go hand-in-hand with poor air quality. Collaborating on such an important issue with a notable health source creates a fresh perspective that will enhance MORPC's longstanding objective to protect the health of the public.

Mid-Ohio Diesel Project

The project focused on non road and on-road diesel engine emission reductions for air quality improvements in the region. A result of this project was an invitation for the MORPC Air Quality Committee to serve on the Midwest Clean Diesel Leadership Group, created by the U.S. Environmental Protection Agency. The goal of the leadership group is to reduce emissions from a million diesels in the Midwest by 2010.

RideSolutions

MORPC provides carpooling, vanpooling and bike matching services to our 11-county service areas. The program continues to develop targeted marketing strategies and customized programs that meet the needs of the daily commuter, employers, social service agencies and the community. RideSolutions staff is focused on removing the single-occupant vehicle off the road by offering new and innovative transportation alternatives.

Goal 3 – Reduce regional energy usage.

Regional eSource
The *Regional eSource* was published throughout the year. We continue to receive positive comments about this e-news source.

Ride Solutions
MORPC provided ongoing ride solutions to business and commuters with 1,001 carpools and 44 vanpools on the road as of December 31, 2005. There were 240 new rideshare applicants for December.

Goal 4 – Improve regional mobility.

LIVABILITY

Regional Growth Strategy (Regional Connections)
MORPC's Seven County Regional Growth Strategy (Regional Connections) project continued throughout 2005. The Steering Committee, made up of 64 representatives from the seven county regions, began meeting in June. Co-chairs of the Committee were Jack Lucks and Franklin County Commissioner Paula Brooks. The committee recommended interactive workshops be held to receive community feedback. More than 360 residents, community leaders, and regional stakeholders from throughout the central Ohio region gathered to discuss the ongoing Regional Growth Strategy during October and November. Each county in the seven county regions – Delaware, Fairfield, Franklin, Licking, Madison, Pickaway, and Union –met to discuss the progress of the Regional Growth Strategy and the region's continuing growth and development. Participants gave feedback on the strategy's Vision for Place and the Conceptual Development Framework using instant electronic voting. The Conceptual Development Framework is guided by the Vision for Place, and paints a picture of potential growth types and styles. Based on the feedback from these meetings, updates were made to the Conceptual Development Framework Map. The Regional Growth Strategy focused on three target areas where the Conceptual Development Framework will be put to practice. These target areas included a redevelopment site at the nexus of Columbus and Grandview Heights, a corridor site along the new alignment of State Route 161 in Licking County, and an industrial site in Pickaway County.

Livability/Sustainability Planning
MORPC actively works with local governments and community stakeholders to promote more efficient use of our transportation resources and a variety of sustainable transportation options.

Pedestrian and Bicycle Planning (Routine Accommodation)
MORPC continues to support the construction of bicycle and pedestrian facilities.

Columbus Pedestrian and Traffic Projects
Walkable Streets – Measuring Pedestrian Safety, the Pedestrian Thoroughfare Plan, and the Traffic Protocols work efforts were presented to Columbus Council who approved funding for them.

Ride Solutions
MORPC provided ongoing ride solutions to business and commuters with 1,001 carpools and 44 vanpools on the road as of December 31, 2005. There were 240 new rideshare applicants for December.

Community Involvement
MORPC meets regularly with local governments keeping them abreast of development and transportation issues throughout central Ohio. In 2006, MORPC met with cities, counties, major villages and staffed

townships. In addition to specific planning undertaken by MORPC, staff is available to participate in the studies of member governments.

HIGHWAYS

Major Freeway Studies

MORPC continued to work with ODOT on major freeway studies such as I-70/I-71 Inner belt Major Investment Study, I-71/SR 665 interchange study, I-270 South Study, the I-71Delaware Interchange Studies, and the Far East Freeway Study.

I-270/US33 Northwest Freeway Study

MORPC, along with the Ohio Department of Transportation (ODOT), Columbus, Dublin, Hilliard, and Franklin and Union counties, completed the I-270/US 33 Northwest Freeway Study. The primary objective of this effort was to develop long-term mobility solutions for the I-270 West Outer belt area including the US 33 freeway west of I-270 to US 42. The study result was a strategic plan to ease bottlenecks getting on and off the freeways from local streets as well as improving operations on the freeway itself. Study efforts concentrate on changes to the transportation system that most directly serve the mobility needs of the corridor's traveling public, and identified costs, potential impacts, and short- and long-term implementation strategies.

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

DATA

Data Sharing and Technical Data

MORPC is a regional data source and provides technical support for transportation planning in central Ohio. MORPC compiles and forecasts demographic, economic, and detailed land use data to support the regional travel demand model, a tool operated by MORPC and other planning efforts.

MANAGEMENT and OPERATIONS

Safety Planning

Greatly supported by the newest transportation bill SAFETEA-LU, safety planning has become one of MORPC's focus areas in transportation. In July 2006, MORPC held its Safety Conscious Planning Workshop with ODOT. Other safety efforts include:

- *Providing accurate crash data*: Until accurate crash data and complete road centerline files are available, MORPC plans to continue sponsoring a consultant to clean up the crash data in the transportation planning area and provide high-quality data back to the members.
- *Identifying dangerous locations & travel behavior*: MORPC is working with its regional stakeholders to identify and discuss high-crash locations and behaviors, and to establish a prioritization listing.
- *Encouraging & assisting members to address unsafe locations & behaviors:* Once dangerous locations and behaviors are identified for the region, MORPC will assist the various agencies and governments with data needs and funding suggestions.
- *Being a voice for non-motorized transportation users*: MORPC has always been an advocate for non-motorist transportation users and continues to bring related safety issues forward.
- *Participating in safety-related programs:* MORPC will continue to cooperate with the local Safe Communities programs as well as statewide projects to develop strategies and work on initiatives.

- *Improving communication between agencies*: MORPC plans to improve the communication between the different agencies involved in traffic safety to increase mutual understanding of how the respective roles impact safety outcomes.

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

INFRASTRUCTURE

Transportation Improvement Program

In June MORPC completed an update to the principles and procedures for selecting project to use MORPC-attributable federal funding. Applications for project funding were solicited by the end of July. Staff and a federal funding committee reviewed and scored the project applications. A draft list of the proposed projects to receive funding was provided for public review and comment at the end of November. The comment period closed in mid January 2007.

Initial project data collection information for ODOT funded and completely locally funded projects for inclusion in the SFY08-11 TIP began in the fall of 2006.

Support for OPWC District 3

MORPC provided support for District 3 Public Works Integrating Committee in its establishment of district policies and procedures, solicitation and evaluation of applications for infrastructure funding, and preparing the PWIC's recommendation to the OPWC for project funding.

Delaware-Franklin County Staff Summit Meeting

MORPC staff conducted the meetings throughout the year. Representatives of local governments gave updates on various infrastructure projects, planning efforts and land-use changes in the area.

Goal 7 – Provide legislative support and information to local governments.

Mid-Ohio Finance Administrators (MOFA)

MORPC hosted meetings for the Mid-Ohio Finance Administrators with topics such as budgeting and accounting for capital equipment, point of sale technology uses for the local government, employee health insurance plans and health savings accounts and securing funding through MORPC for capital improvement projects..

Legislative Support

Throughout the year, MORPC staff monitored and worked to influence:

- Consumer Loan Protection (SB185, SB162, & SB199)
- Job Ready Sites
- Traffic Light Cameras (HB56)
- Ohio Hub Plan
- State Vehicles/Fuels/Reduction of Diesel Emission (HB245)
- Budget Corrections/Capital Reappropriations (HB530)
- Electric Utility Aggregation (HB85)
- Conceal-Carry Revisions (HB347)
- Development Rights (HB 492)

Goal 8 – Conduct analyses of public policies affecting members.

Eminent Domain Task Force
Staff attended Eminent Domain Task Force meetings and tracked proposed changes to eminent domain compensation and definitions of blight. Staff also provided testimony to the Task Force.

Goal 9 – Improve member satisfaction.

Annual Salary & Fringe Benefit Survey
MORPC conducted the annual survey and provided the data to members as a hard copy and made available for the first time electronically on the MORPC website.

Goal 10 – Administer housing rehabilitation and homeownership programs for low income residents.

Rehabilitation
Franklin County Single Family Rehabilitation-Completed 22 units

Columbus Compact Rehab-Completed 11 units

Ross County CHIP- Single Family Rehab- Completed 4 units
Home Repair-Completed 1 unit
DPA with Rehab-Completed 0 units
Homebuyer Counseling – Completed 24

Marysville CHIP- Home Repair-Completed 8 units
DPA with Rehab-Completed 1 units
Single Family Rehab-Completed 1 units
Fair Housing Training – 17 Households

Homeownership Education and Down Payment Assistance
253 clients were counseled through the homeownership education classes.
One-on-one counseling was provided for 148 clients.
The program graduated 184 people from the homeownership education classes.
Six households participated in the QuickStart program.
Eight households participated in Default Counseling services.

Down Payment Assistance
Federal Home Loan Bank (FHLB) Affordable Housing Program- 3 down payment assistance loans was made.
HSBC- 51 down payment assistance loans were made.
Ohio Housing Trust Fund-25 down payment assistance loans were made.

Housing Advisory Board
HAB board reviewed and approved two applications for $15,250,000 in mortgage revenue bonds to develop 302 units of affordable elderly rental housing. However, one project for 202 units was cancelled after HAB review.

Goal 11 – Administer weatherization programs for low income residents.

The Home Weatherization Assistance Program (HWAP) weatherized 150 units.

The WarmChoice Program completed 335 inspections and made 323 furnace repair/replacements.

Goal 12 – Increase agency revenue.

Overall agency operating revenue increased by $376,792 in 2006 compared to 2005. Revenue related to pass through subcontracts increased by $213,798.

Goal 13 – Make the agency more competitive.

Consistent effort was maintained to control or lower agency indirect costs and the indirect cost rate charged to all funding sources. The actual indirect cost rate for calendar year 2006 was 54.6% which was 1.6% higher than 2005 but significantly lower than the peak rate of 65.78% in calendar year 2000.

Goal 14 – Improve staff operations and productivity.

<u>Computer Services</u>
MORPC updated servers, anti-virus software and installed automatic software updates on agency computers.

<u>Roof</u>
A new roof was installed on the 285 East Main Street building.

<u>Interns</u>
MORPC hosted two individuals from the AARP intern program for the housing and weatherization department as well as several students from OSU for our Regional Growth Program and several high school students for our Greenways Program.

<u>Training</u>
CPR and First Aid training was administered to 10 MORPC staff members as well as various training topics for employees in 2006.

Goal 15 – Maintain and expand community and intergovernmental partnerships.

<u>Ohio Association of Regional Councils (OARC)</u>
MORPC is a member of the Executive Directors, Transportation and Finance groups of OARC. Each group meets several times throughout the year to discuss current local, state and federal issues. On August 21, the Ohio Association of Regional Councils (OARC) hosted its first ever forum for the major gubernatorial candidates. Each major candidate for Ohio Governor, Ted Strickland and Ken Blackwell, presented his platform and answered questions. This event was provided to raise awareness of issues affecting the member governments. Over 300 were in attendance at the event. Excellent media coverage on TV, radio and print was provided from across the state.

Goal 16 – Increase public awareness of and involvement in MORPC.

Horizons

MORPC's bi-annual magazine, *Horizons* was published and mailed to over 8,000 people.

Annual Meeting and Luncheon

This year's Annual Meeting Luncheon event was on Thursday, April 27 at the Greater Columbus Convention Center, with William Strickland as the keynote speaker. Mr. Strickland spoke on leadership. Over 650 community and business leaders attended the event.

Clean Air Fair

Staff organized and hosted this year's Clean Air Fair in the Arena District on May 10. Around 500 downtown workers attended the event, which included an awards ceremony for the first annual MORPC Clean Air Awards to the following organizations: COSI's Prairie Project; AEP's extensive employee rideshare efforts; Central Ohio Breathing Association's Dirty Air Campaign; City of Columbus Anti-Idling Program; and the longest running RideSolutions Vanpool from Mount Vernon.

Riverfest '06 presented by Columbia Gas

Volunteers bagged trash, tires, and recyclables during the cleanup at Confluence Park in preparation for Riverfest. Weather dampened attendance at the May 13 event; however, estimates indicate over 400 attendees. Canoeing and pontoon rides on the Scioto River were once again a crowd pleaser during the event.

RideSolutions Fall Ad Campaign

Beginning November 27, a three week radio advertising campaign promoted RideSolutions' interactive rideshare matching website (www.rideshareohio.com) to the region. Radio spots ran on ten local radio stations selected for their reach to the program's targeted market. After the three week radio campaign, the radio stations aired public service announcements for three additional months.

KEY GOALS FOR 2007

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 staff operations and productivity.

Community Relations

Goal 15 - Maintain and expand community and intergovernmental partnerships.
Goal 16 - Increase public awareness of and involvement in MORPC.

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 15th 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 high bond ratings.

Unemployment rates for 2003, 2004, 2005 and 2006 were as follows:

	2003	2004	2005	2006
United States	6.0%	5.5%	5.1%	4.6%
Ohio	6.1%	6.1%	6.9%	5.5%
Central and south-central Ohio	4.9%	5.1%	5.3%	4.7%

Though unemployment in the region was slightly above the national average in 2006 and 2005, the overall trend for the employment outlook for central and south central Ohio has been and remains better than the state and the rate of unemployment has been comparable to or better than the nation as a whole, despite the slow recovery from the 2001 economic downturn.

Total membership stands 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 56.5% of MORPC's 2006 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 2006 revenue increased by 5.1% to $7,776,768. The 2007 operating revenue budget is $8,000,600, which is 2.9% higher than 2006 actual revenue.

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:

- Salaries and benefits
- Materials and supplies
- Services and charges
- Capital expenditures
- 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 $50,000 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 periodically reviewed and updated. The auditors' report on internal controls begins on page 67 of this report and discloses no condition considered to be a material weakness.

PROPRIETARY OPERATIONS: As discussed above, MORPC is a voluntary association of local governments with governmental and non-profit status. It operates like a consulting business and is treated as a single enterprise for accounting, budgetary and financial presentation purposes.

It is MORPC's policy to charge user fees 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.

The financial statements have been prepared following Governmental Accounting Standards Board ("GASB") Statement No. 34, *"Basic Financial Statements – and Management's Discussion and Analysis – for Sate and Local Governments."* As part of the new reporting model, management is responsible for preparing a Management's Discussion and Analysis of the Commission. This discussion follows the Independent Auditor's Report, providing an assessment of the Commission finances for 2006.

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 $649,897 in 2006 with $545,829 used in the operating budget and $104,068 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 $4,393,973 or 56.5% of its 2006 revenue, from federal sources under 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 2007 budget:

	2005 Actual	2006 Actual	2007 Budget
Revenues:			
Federal contracts	$4,010,115	$4,393,973	$4,760,450
State grants and contracts	463,247	537,531	286,775
Member's per-capita fees	511,968	545,829	627,400
Utility contracts	1,135,394	1,090,087	1,200,750
Other local contracts	1,113,432	978,898	976,025
Foundation/Corporate Contributions	165,820	230,450	149,200
Total Revenues	7,399,976	7,776,768	8,000,600
Expenses:			
Salaries and benefits	4,190,492	4,147,686	4,605,175
Consultants and subcontracts	2,002,399	2,231,142	1,997,500
Depreciation	141,204	134,987	138,500
Other expenses	1,071,688	1,181,848	1,427,325
Total Expenses	7,405,783	7,695,663	8,168,500
Operating Income (Loss)	(5,807)	81,105	(167,900)
Interest Income		22,869	46,000
Capital Contributions	101,664	116,838	92,600
Net Increase in net assets	$95,857	$220,812	$(29,300)
Capital expenditures	$120,484	$155,660	$240,000

The Operating Income in 2006 was $81,105 and includes total depreciation expense of $134,987, of which $63,760 was related to contributed assets. The operating income for the year was abnormally high due to under expenditure of member's dues, which was directly related to the executive director vacancy for 9 ½ months of the year.

MORPC completed 2006 with an increase in net assets of $220,812, including contributed capital. Total capital contributions of $116,838 in 2006 came from contributions to the building fund, $104,068, interest earned on the building fund, $22,869 and $12,770 in contributed assets. Members' per-capita fees of $545,829, used in the operating budget, were leveraged by a factor of 14.3 to 1 to bring in total operating revenues of $7,776,768. Total federal revenue increased $383,858 or 9.6%. The major portion of the increase was due to increased subcontractor activity on federally funded transportation planning and housing rehabilitation projects. Total state revenue increased by $74,284, or 16.0%, due to state matching funds received for subcontractor activity on federally funded transportation projects. Utility company revenue decreased by $45,307 in 2006 but is projected to increase in 2007. Total staff salaries and benefits decreased by $42,806 or 1.0% from the prior year. Staff wage increases of approximately 3.0% were offset by several staff vacancies during the year, including the 9 ½ month executive director vacancy. Consultants and subcontractors expense increased by $228,743 or 11.4%, primarily due to increases in transportation subcontract expense for the I270/US33 highway study and housing rehabilitation projects.

Overall, 2006 operating revenue increased $376,792 or 5.1% from the prior year. Total operating revenue was under budget by $682,032 or 8.1% of the budget of $8,458,800. Operating revenue is budgeted to increase by $223,832 or 2.9% in 2007. The following program was under budget by $100,000 or more:

	Amount Under
Transportation	$399,679

Funding for the above program was under contract and available to be earned. Staffing levels, however, were lower than available direct labor budgets.

Capital expenditures for equipment, vehicles and software systems in 2006 totaled $155,660. Total depreciation expense was $134,987 and net capital assets at year-end were $1,084,054.

MORPC's cash balance at year end increased from $943,486 to $1,599,549. The cash balance increased significantly due to a large decrease in accounts receivable, which was due to a return to a normal reimbursement cycle on transportation project invoices submitted to the Ohio Department of Transportation, verses a slower than normal cycle in the prior year.

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. The remaining balance of MORPC prepaid rent of $17,598 at December 31, 2005, was fully amortized in 2006. Since occupying the building in 1982, MORPC has made leasehold improvements totaling $512,507. An additional $877,051 is on deposit with Franklin County under the lease in anticipation of future improvements.

TRUST for benefit of MORPC - HOPE 3: A trust for the benefit of MORPC was created in 1995 to hold title to houses and otherwise facilitate the implementation of the federal Home Ownership for People Everywhere ("HOPE3") program. Assets totaling $346,306, at December 31, 2006 were held by the trustee, are controlled by MORPC and have been included on MORPC's balance sheet. HOPE 3 mortgage notes receivables of $196,476 are however, expected to be forgiven over time. No properties were held at December 31, 2005 or December 31, 2006.

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, US Bank held $149,830 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 65 through 66. 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, 2005. 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 eighteen 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,

Chester R. Jourdan, Jr., Executive Director

Carl R. Styers, CPA, Finance Director

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, 2004

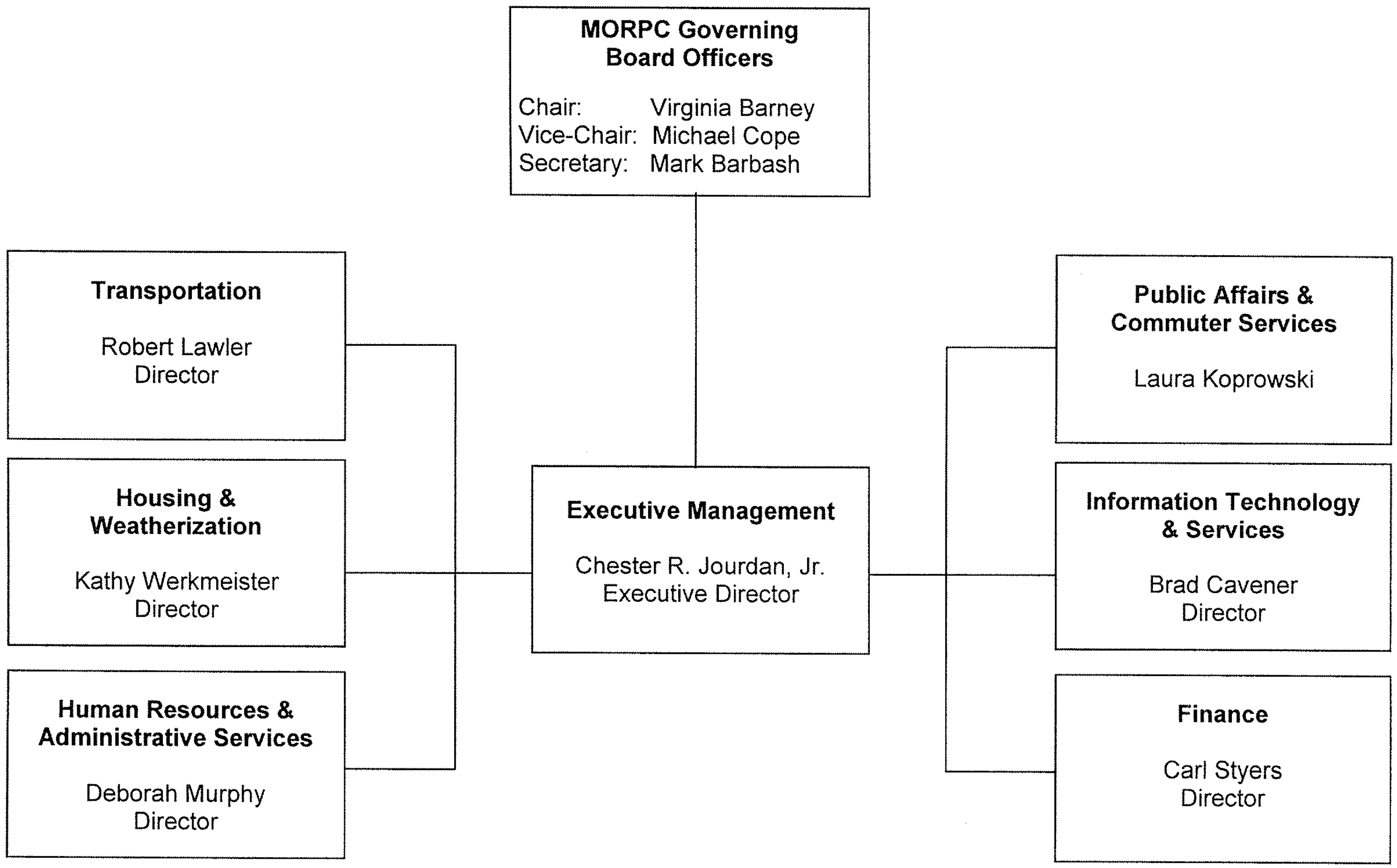
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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

GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA CORPORATION SEAL CHICAGO

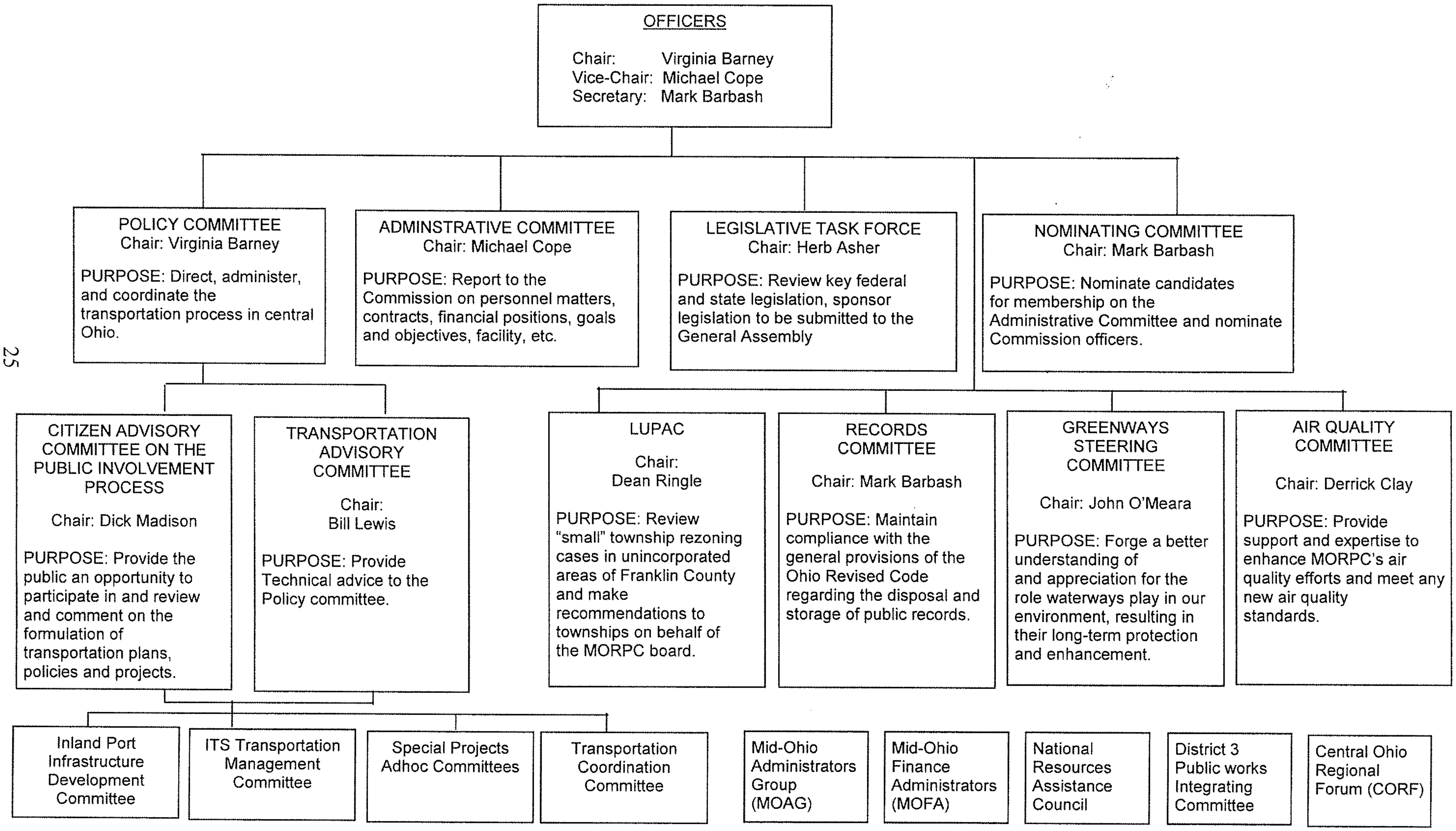
President

Executive Director

MID-OHIO REGIONAL PLANNING COMMISSION
Organizational Chart—Staff
As of December 31, 2006



MID-OHIO REGIONAL PLANNING COMMISSION
As of 12/31/06



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II. FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Members of
Mid-Ohio Regional Planning Commission:

We have audited the accompanying statements of net assets of Mid-Ohio Regional Planning Commission ("MORPC"), as of December 31, 2006 and 2005, and the related statements of revenues, expenses, and changes in net assets, and of cash flows for the years 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.

We conducted our audits 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 respective financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of MORPC's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the respective financial statements, assessing the accounting principles used, and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Mid-Ohio Regional Planning Commission as of December 31, 2006 and 2005, and their changes in net assets and their cash flows where applicable for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 29 to 33 is not a required part of the financial statements, but is supplementary information required by the Governmental Accounting Standards Board. This supplementary information is the responsibility of MORPC's management. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit such information and we do not express an opinion on it.

Our audit was conducted for the purpose of forming an opinion on MORPC's financial statements taken as a whole. The Introductory Section on pages 1 to 26, Supplementary Information on pages 47 to 52, and the Statistical Section on pages 53 to 70 are presented for purpose of additional analysis of the financial statements rather than to present the financial position, results of operations, and cash flows, and are not a required part of the financial statements. These schedules are the responsibility of MORPC's management. The Supplementary Information on pages 47 to 52 has been subject to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Introductory Section on pages 1 to 26 and the Statistical Section on pages 53 to 70 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2007, on our consideration of internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Deloitte + Touche LLP

June 14, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis (MD&A) provides an overview of the Mid-Ohio Regional Planning Commission's ("MORPC") financial performance and provides an introduction to the financial statements for the year ended December 31, 2006. The information contained in the MD&A should be considered in conjunction with the information presented in MORPC's financial statements and corresponding notes to the financial statements.

Financial Highlights

- Net assets increased by $220,812. The goal of MORPC is to provide the maximum level of service to MORPC members within available funding, while achieving a small increase in net assets each year. The 2006 increase in net assets was 2.8% of total revenue. The increase was abnormally high due to under expenditure of member's dues. This was directly related the vacancy in the executive director position for 9 ½ months of the year.

- Operating revenue in 2006 increased by $376,792 to $7,776,768 an increase of 5.1%. The major portion of the increase was due to an increase in subcontractor pass through costs for transportation planning and housing rehabilitation projects.

- Cash on hand at December 31, 2006 was $1,599,549, up significantly from 2005. Slower than normal reimbursement for costs incurred on transportation projects in 2005 resulted in a lower than normal balance of cash on hand at December 31, 2005 and conversely a larger than normal balance in accounts receivable. The reimbursement cycle returned to normal in 2006 resulting in the increase in cash on hand and reduced accounts receivable at December 31, 2006.

- Cash contributed by member governments and designated by the board for building improvements and expansion increased by $56,458 to $877,051. This cash is available for planned and unplanned building expenditures.

- MORPC had operating income of $81,105. This income is after $134,987 of depreciation expense, of which $63,760 was depreciation on contributed assets.

Overview of the Financial Statements

MORPC's financial statements are prepared in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). MORPC is structured as a single enterprise (proprietary) fund with revenues recognized when earned and expenses when incurred. Capital assets are capitalized and are depreciated over their useful lives. See the notes to the financial statements for a summary of MOPRC significant accounting policies.

Following this MD&A, are the basic financial statements of MORPC together with notes, which are essential to a full understanding of the data contained in the financial statements. Included in the financial statements for MORPC are the following:

Statement of Net Assets – This statement presents information on all MORPC's assets and liabilities, with the difference between the two reported as net assets.

Statement of Revenue, Expenses and Changes in Net Assets – This statement measures the success of operations and can be used to determine whether MORPC successfully recovered all of its costs through Federal, State of Ohio, local government and utility company contracts, members' per capita fees and other contributions and revenues.

Statement of Cash Flows – This statement reports cash receipts, cash disbursements, and net changes in cash resulting from operating activities, and from capital and related financing activities. This statement provides answers to such questions as where did the cash come from, what was cash used for, and what was the net change in cash for each of the reporting periods. A reconciliation of operating income with net cash is also provided.

Financial Position

The following represents MORPC's financial position for the years ended December 31:

Condensed Statement of Net Assets

	2006	2005	2004
ASSETS			
Current Assets	2,590,446	2,843,612	2,456,711
Noncurrent Assets	2,553,493	2,352,348	2,304,255
Total Assets	5,143,939	5,195,960	4,760,966
LIABILITIES			
Current Liabilities	1,175,248	1,550,481	1,275,719
Noncurrent Liabilities	978,440	876,040	811,665
Total Liabilities	2,153,688	2,426,521	2,087,384
NET ASSETS			
Invested in Capital Assets	1,084,054	1,063,380	1,082,246
Unrestricted	1,906,197	1,706,059	1,591,336
Total Net Assets	2,990,251	2,769,439	2,673,582

Current assets decreased by $253,166 (8.9%). There was a significant decrease in subcontractor activity in the last quarter of 2006 due to completion of the I270/US 33 MIS Study. This resulted in a significant reduction in accounts receivable at year-end which accounts for the major portion of the reduction in current assets. Additionally the 2005 balance of prepaid rent was fully amortized in 2006.

Noncurrent assets increased by $201,145 (8.6%). The major portion of the increase was due to an increase in the housing down payment assistance mortgages receivable and members contributions to the building fund.

Current Liabilities decreased by $375,233 (24.2%). Accounts payable at December 31, 2006 was down by $210,915 primarily due to completion of the I270/US 33 MIS study and three other transportation contracts in late 2006 for which liabilities were included in accounts payable at December 31, 2005. Additionally, in 2005 MORPC received local matching funds for the I270/US 33 MIS study from our members and others. The unused portion of these funds at December 31, 2005 were carried as a liability.

Noncurrent liabilities increased by $102,400 (11.7%) primarily due to increases in unearned federal revenue from mortgages from the housing programs. The mortgages carry with them a liability to the federal agency that provided the original funding.

Net assets invested in capital assets increased by $20,674. Acquisitions of capital assets for the year exceeded depreciation of $134,987 by this amount. There was no capital related debt at year-end.

Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without external constraints, increased by $200,138 primarily due to contributed capital by members for building repairs and replacements, and under expenditure of members dues during the year as noted above under Financial Highlights.

Condensed Statement of Revenues, Expenses and Changes in Net Assets

	2006	2005	2004
REVENUE			
Federal	4,393,973	4,010,115	4,242,481
Nonfederal	2,062,258	2,088,647	2,081,441
Foundations/Corporations	230,450	165,820	167,797
Utility company	1,090,087	1,135,394	1,052,180
Total Revenues	7,776,768	7,399,976	7,543,899
EXPENSES			
Salaries and benefits	4,147,686	4,190,492	4,170,754
Consultants and subcontracts	2,231,142	2,002,399	2,216,197
Depreciation	134,987	141,204	143,446
Other expenses	1,181,848	1,071,688	1,047,237
Total Expenses	7,695,663	7,405,783	7,577,634
OPERATING INCOME (LOSS)	81,105	(5,807)	(33,735)
INTEREST INCOME	22,869		
CAPITAL CONTRIBUTIONS	116,838	101,664	90,328
INCREASE IN NET ASSETS	220,812	95,857	56,593

Operating revenues increased by $376,792 over the prior year (5.1%). The major portion of the increase was due to an increase in subcontractor pass through costs for transportation planning and housing rehabilitation projects.

Operating expenses increased by $289,880 (3.9%). The increase was also primarily due to an increase in subcontractor pass through costs for transportation planning and housing rehabilitation projects. Advertising costs increased by $30,429, primarily for marketing the RideSolutions rideshare program. Additionally, printing cost were up by $32,898 for printing the Healthy and Fit map for the Franklin County Department of Job and Family Services in partnership with the Children's Hunger Alliance and for printing the quarterly Transportation Connections report.

Capital Assets

Capital assets of MORPC as of December 31, 2006 totaled $1,084,054 (net of accumulated depreciation). $697,886 of this amount is the office building housing MORPC staff. In 2006 MORPC acquired $155,661 in new assets. The 2006 acquisition of capital assets exceeded 2006 depreciation expense by $20,674. Additionally, disposal of $210,481 in fully depreciated capital assets was recorded in 2006.

Additional information on capital assets can be found in Note 3 on page 42 of this report.

Long Term Debt

Long term debt at December 31, 2006 was $-0-. Under Ohio Revised Code, MORPC does not have authority to incur debt, however, MORPC may enter into capital leases. There were no capital leases in 2006.

Additional information on capital leases can be found in Note 5 on page 43 of this report.

Economic Conditions

MORPC relies heavily on federal, state and local grants and contracts and utility company contracts along with member's dues, to fund its many programs. At present these revenue sources appear to be secure in the short term, however, legislative action can affect each of these revenue streams in both the short term and the long term.

The transportation program is the largest program of the agency. Legislation authorizing the federal transportation programs (SAFETEA-LU) was passed August 10, 2005. SAFETEA-LU authorizes Federal surface transportation programs including for MPO planning for the 5-federal fiscal year period 2005-2009. While the legislation provided increased funding to the transportation program, the complexities of the law, rescissions to help fund hurricane Katrina reconstruction and the war in Iraq have already resulted in a 6% decrease in these funds between state fiscal years 2006 and 2007. Both Congress and the administration have determined that the Highway Trust Fund will not receive sufficient revenue through FFY 2009 to fully fund SAFETEA-LU through that year. SAFETEA-LU called for and Congress convened a National Surface Transportation Infrastructure Financing Commission to investigate and recommend ways for the nation to overcome the insufficient investments in transportation over the recent past. It is unlikely MORPC's recommendations would be acted upon until the next reauthorization of transportation legislation in FFY 2009 or later. Consequently, it is unclear if the already identified shortfall in 2009 will be rectified. SAFETEA-LU provides for approximately a 3% per year increase over the life of the legislation, but, as we have already seen, national priorities can result in funding decreases as can revenue shortfalls.

2005-2004 Highlights

In 2005 MORPC reported a decrease in revenue of $143,923 to $7,399,976. Cash on hand decreased from the highest year end balance in the history of the organization of $1,608,487 to $943,486. Total net assets in 2005 increased by $95,857 a $39,264 increase over the prior year. MORPC had an operating loss of $5,807. This loss included $141,204 of depreciation expense.

Contacting MORPC

This financial report is designed to provide our members, grantors, federal and state oversight agencies and the citizens of central Ohio with a general overview of MORPC's finances and to show MORPC's accountability for the money it receives. Additional financial information can be obtained by contacting the Finance Director, Mid-Ohio Regional Planning Commission, 285 East Main Street, Columbus, Ohio, 43215 or by calling 614-228-2663.

MID-OHIO REGIONAL PLANNING COMMISSION

STATEMENTS OF NET ASSETS
AS OF DECEMBER 31, 2006 AND 2005

	2006	2005
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 1,599,549	$ 943,486
Accounts receivable	902,216	1,702,561
Other prepaid expenses	65,861	142,311
Mortgage notes receivable	22,820	37,656
Prepaid rent		17,598
Total current assets	2,590,446	2,843,612
NONCURRENT ASSETS:		
Capital assets — net of accumulated depreciation	1,084,054	1,063,380
Cash — board designated for building repairs and replacements	877,051	820,593
Mortgages notes receivable	551,668	468,375
Other prepaid expense	40,720	
Total noncurrent assets	2,553,493	2,352,348
TOTAL	$ 5,143,939	$ 5,195,960
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Current liabilities:		
Accounts payable	$ 191,512	$ 402,427
Accrued — payroll and fringe benefits	255,094	267,824
Accrued — vacation and sick leave	40,000	40,000
Unearned revenue — federal	204,306	218,981
Unearned revenue — nonfederal	484,336	621,249
Total current liabilities	1,175,248	1,550,481
Noncurrent liabilities:		
Accrued vacation and sick leave	366,357	385,009
Unearned revenue — federal	612,083	491,031
Total noncurrent liabilities	978,440	876,040
Total liabilities	2,153,688	2,426,521
NET ASSETS:		
Invested in capital assets	1,084,054	1,063,380
Unrestricted	1,906,197	1,706,059
Total net assets	2,990,251	2,769,439
TOTAL	$ 5,143,939	$ 5,195,960

See notes to financial statements.

MID-OHIO REGIONAL PLANNING COMMISSION

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

	2006	2005
REVENUES:		
Governmental:		
Federal grants and contracts	$4,393,973	$4,010,115
Nonfederal:		
Members' per capita fees	545,829	511,968
State grants and contracts	537,531	463,247
Local contracts and other	978,898	1,113,432
Total nonfederal	2,062,258	2,088,647
Foundations/corporate contributions	230,450	165,820
Utility company contracts	1,090,087	1,135,394
Total revenues	7,776,768	7,399,976
EXPENSES:		
Salaries and benefits	4,147,686	4,190,492
Consultants and subcontractors	2,231,142	2,002,399
Other services	406,645	386,419
Rent and utilities	100,767	95,870
Materials and supplies	194,324	196,104
Printing	66,651	33,753
Travel	69,152	60,534
Depreciation	134,987	141,204
Advertising	101,539	71,110
Other	242,770	227,898
Total expenses	7,695,663	7,405,783
OPERATING INCOME (LOSS)	81,105	(5,807)
INTEREST INCOME	22,869	
CAPITAL CONTRIBUTIONS	116,838	101,664
INCREASE IN NET ASSETS	220,812	95,857
NET ASSETS — Beginning of year	2,769,439	2,673,582
NET ASSETS — End of year	$2,990,251	$2,769,439

See notes to financial statements.

MID-OHIO REGIONAL PLANNING COMMISSION

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES:		
Received from federal grants and contracts	$ 4,761,428	$ 3,730,742
Received from state, local, utility company grants and contracts, and other	3,681,747	2,927,554
Payments for salaries and benefits	(4,179,068)	(4,240,025)
Payments for consultants and subcontractors	(2,464,253)	(1,922,502)
Other payments	(1,059,626)	(1,096,586)
Net cash provided by (used in) operating activities	740,228	(600,817)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Additions to property and equipment	(167,414)	(109,275)
Payments on lease obligation		(1,854)
Interest income	22,869	
Capital contributions	116,838	101,664
Net cash used in capital and related financing activities	(27,707)	(9,465)
INCREASE (DECREASE) IN CASH	712,521	(610,282)
CASH — Beginning of year (including $820,593 and $765,874 in cash, board designated for building repairs and replacements at January 1, 2006 and 2005, respectively)	1,764,079	2,374,361
CASH — End of year (including $877,051 and $820,593 in cash, board designated for building repairs and replacements at December 31, 2006 and 2005, respectively)	$ 2,476,600	$ 1,764,079
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES —		
Operating income (loss)	$ 81,105	$ (5,807)
Adjustments to reconcile to cash provided by (used in) operating activities:		
Depreciation	134,987	141,204
Changes in assets and liabilities:		
Accounts receivable	800,345	(983,983)
Prepaid rent	17,598	25,972
Other prepaid expenses	35,730	(63,838)
Accounts payable	(199,162)	64,440
Accrued liabilities	(31,382)	(49,533)
Unearned revenue and mortgage notes receivables	(98,993)	270,728
Total adjustments	659,123	(595,010)
Net cash provided by (used in) operating activities	$ 740,228	$ (600,817)

See notes to financial statements.

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 Board ("GASB") Statement No. 14, *The Financial Reporting Entity,* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units, an amendment of GASB Statement No. 14*, 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 holds only 13 of 79 seats on 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 for Homeownership of Single Family Homes Program ("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, a proprietary 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 proprietary 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 MORPC pursuant to the Articles of Agreement of MORPC. In addition, MORPC receives federal grants, which include 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 revenues, expenses, and changes in net assets 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 statement of net assets.

Proprietary funds distinguish operating revenues from non-operating revenues. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. MORPC receives revenue from those who directly benefit from the services of MORPC and receives revenue from other governments restricted to a specific program or programs. Revenue from these sources has been classified as operating revenue.

Property and Equipment — MORPC capitalizes at cost all purchased property and equipment costing $1,000 and greater and with a useful life greater than one year. Depreciation is provided on the straight-line method over the estimated useful lives of the assets ranging from 3 to 40 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:

(a) Uncollateralized

(b) Collateralized with securities held by the pledging financial institution

(c) Collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name.

MORPC's deposits with Franklin County have carrying amounts of $2,326,769 and bank balances of $2,326,769 at December 31, 2006. At December 31, 2005, MORPC's deposits with Franklin County had a carrying amount of $1,624,069 and a bank balance of $1,619,549 with the differences primarily due to a deposit in transit. Included in these bank balances are $877,051 and $820,593 for December 31, 2006 and 2005, respectively, which is designated by the MORPC Board for building repairs and replacements. MORPC's deposits with Franklin County 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 $149,831 and $140,010 at December 31, 2006 and 2005, respectively. The bank balances are $149,831 and $119,114 at December 31, 2006 and 2005, respectively, with the difference in 2005 due mainly to deposits in transit.

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.

Debt – The ORC does not provide MORPC the power to incur debt other than for capital leases for the purchase of equipment or property and buildings for housing commission operations.

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 Commission for adoption.

MORPC appropriates at the major account group level, which includes personal services, materials and supplies, services and charges, capital expenditures, debt service, and interfund 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 indirect cost allocation plan is submitted for negotiation in the summer, for the following calendar year.

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 ("FASB") 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. MORPC has elected not to apply FASB Statements and Interpretations issued after November 30, 1989.

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

Sick leave benefits are accrued using the vesting method in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*. 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 employee's converted in 2006 and 2005, was approximately $57,000 and $47,300, respectively, reducing MORPC's liability.

HOPE 3 Program — MORPC manages the Hope for Homeownership of Single Family Homes 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. MORPC held no real estate for resale as of December 31, 2006 and 2005.

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 — In June 2005, the GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and if applicable, required supplementary information in the financial reports of state and local government employers. This Statement is effective for periods beginning after December 15, 2006. MORPC has not completed an analysis of the impact of this statement on its reported financial statements.

In September 2006, the GASB issued Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues.* This Statement establishes criteria that governments will use to ascertain whether certain transactions should be regarded as a sale or a collateralized borrowing. This Statement is effective for periods beginning after December 15, 2006. Management has not yet determined the impact this statement will have on the financial statements.

In December 2006, the GASB issued Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligation.* This Statement identifies the circumstances under which a governmental entity would be required to report a liability related to pollution remediation. This Statement is effective for periods beginning after December 15, 2007. Management has not yet determined the impact this statement will have on its financial statements.

In May 2007, the GASB issued Statement No. 50, *Pension Disclosures – Conformity Changes*. This Statement amended GASB Statement No. 25, *Plans and Note Disclosures for Defined Contribution Plans*, and Statement No. 27, *Accounting for Pensions by State and Local Government Employers*, to conform certain disclosures and required supplementary information presentations now required for other postemployment benefits by GASB Statement No. 43 and GASB Statement No. 45. This statement is effective for periods beginning after June 15, 2007. Management has not yet determined the impact this statement will have on its financial statements.

2. CASH DESIGNATED FOR REPLACEMENTS

During 2006 and 2005, 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 $877,051 and $820,593 at December 31, 2006 and 2005, respectively.

3. PROPERTY AND EQUIPMENT

The changes in capital assets during the year ended December 31, 2006 and 2005 are as follows:

	Balance December 31, 2005	Additions	Deletions	Balance December 31, 2006
Capital assets being depreciated:				
Building	$ 1,801,000	$ -	$ -	1,801,000
Leasehold improvements	442,029	70,480		512,509
Leased equipment	242,746		41,000	201,746
Furniture and equipment	835,364	85,181	158,606	761,939
Automobiles and light trucks	189,032		10,875	178,157
Total capital assets being depreciated	3,510,171	155,661	210,481	3,455,351
Less accumulated depreciation:				
Building	1,058,089	45,025		1,103,114
Leasehold improvements	360,137	10,589		370,726
Leased equipment	242,746		41,000	201,746
Furniture and equipment	613,171	74,167	158,606	528,732
Automobiles and light trucks	172,648	5,206	10,875	166,979
Total accumulated depreciations	2,446,791	134,987	210,481	2,371,297
Total capital assets — net of depreciation	$ 1,063,380	$ 20,674	$ -	$ 1,084,054

	Balance December 31, 2004	Additions	Deletions	Balance December 31, 2005
Capital assets being depreciated:				
Building	$ 1,801,000	$ -	$ -	$ 1,801,000
Leasehold improvements	391,789	50,240		442,029
Leased equipment	266,746		24,000	242,746
Furniture and equipment	790,689	66,234	21,559	835,364
Automobiles and light trucks	195,719	4,010	10,697	189,032
Total capital assets being depreciated	3,445,943	120,484	56,256	3,510,171
Less accumulated depreciation:				
Building	1,013,064	45,025		1,058,089
Leasehold improvements	352,859	7,278		360,137
Leased equipment	266,746		24,000	242,746
Furniture and equipment	564,182	70,548	21,559	613,171
Automobiles and light trucks	164,992	18,353	10,697	172,648
Total accumulated depreciation	2,361,843	141,204	56,256	2,446,791
Total capital assets — net of depreciation	$ 1,084,100	$ (20,720)	$ -	$ 1,063,380

4. ACCOUNTS RECEIVABLE

A schedule of MORPC's accounts receivable as of December 31, 2006 and 2005, are as follows:

	2006	2005
Federal grants and contracts	$ 653,654	$ 946,223
State and local contracts	162,204	487,994
Utility company contracts	11,666	221,137
Other	74,692	47,207
Total	$ 902,216	$ 1,702,561

5. LEASES

Prior to 2006, MORPC leased certain computers and office equipment under capital leases. These balances were paid in full as of December 31, 2005.

MORPC leases warehouse space for the home weatherization program under an annual operating lease with no future minimum commitments. The 2006 expense for the lease was $12,000.

6. 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 2006, the employer was required to contribute 13.70% and 13.55% in 2005 and 2004, respectively, of active member payroll, and employees were required to contribute 9.0% in 2006 and 8.5% in 2005 and 2004 of their annual covered salary.

Total required employer contributions billed to the MORPC were approximately $423,000, $424,000, and $467,000 for the years ending December 31, 2006, 2005, and 2004, 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 614-222-5601 or 1-800-222-7377.

Other postemployment benefits for health care costs provided by OPERS are as follows:

OPERS provides postretirement health care coverage to age and service retirees with ten 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 Postemployment 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 2006 and 2005 employer contribution rate for state employers was 13.7% and 13.55% of covered payroll; 4.5% and 4% was the portion that was used to fund health care for the year ended December 31, 2006 and 2005, respectively. These rates are the actuarially determined contribution requirement for OPERS. The portion of MORPC's 2006 and 2005 contributions that were used to fund postemployment benefits was $139,000 and $125,000, 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 OPERS' latest Actuarial Review performed as of December 31, 2005. 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, net to exceed a 12% corridor. The investment assumption rate for 2005 was 6.5%. 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 0.5% to 6.3%. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from .5% to 6% for the next nine years. In subsequent years (nine and beyond) health care costs were assumed to increase 4% (the projected wage inflation rate).

OPEB are advance-funded on an actuarially determined basis. As of December 31, 2005, the actuarial value of the OPERS' net assets available for OPEB was $11.1 billion. The number of active contributing participants was 369,214. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were $31.3 billion and $20.2 billion, respectively.

The Health Care Preservation Plan ("HCPP") adopted by the OPERS Retirement Board on September 9, 2004, will be effective January 1, 2007. In addition to the HCPP, OPERS has taken additional action to improve the solvency of the Health Care Fund in 2005 by creating a separate investment pool for health care assets. As an additional component of the HCPP member and employer contribution rates increased as of January 1, 2006 and January 1, 2007, which will allow additional funds to be allocated to the health care plan.

7. 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.

8. 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, 2006 and 2005, respectively, was approximately $36,500 and $50,000 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 2006 and 2005, and during the past three years insurance coverage was sufficient to cover all losses.

9. FEDERAL GRANTS AND CONTRACTS REVENUE

Federal grants and contracts for the years ended December 31, 2006 and 2005 are made up of the following:

	2006	2005
Federal grants	$4,367,728	$3,989,607
Federal contracts	26,245	20,508
Total federal grants and contracts	$4,393,973	$4,010,115

10. NONCURRENT LIABILITIES

The changes in MORPC's noncurrent liabilities for the years ended December 31, 2006 and 2005, is as follows:

	Beginning Balance December 31, 2005	Additions	Reductions	Ending Balance December 31, 2006	Current Portion December 31, 2006
Annual leave	$ 121,508	$235,924	$ (231,748)	$ 125,684	$ 30,000
Sick leave	303,501	94,384	(117,212)	280,673	10,000
Accrued vacation and sick leave	425,009	330,308	(348,960)	406,357	40,000
Unearned revenue — Federal	710,012	129,734	(23,357)	816,389	204,306
Total noncurrent liabilities	$ 1,135,021	$460,042	$ (372,317)	$ 1,222,746	$244,306

	Beginning Balance December 31, 2004	Additions	Reductions	Ending Balance December 31, 2005	Current Portion December 31, 2005
Annual leave	$ 124,337	$242,199	$ (245,028)	$ 121,508	$ 30,000
Sick leave	301,600	107,880	(105,979)	303,501	10,000
Accrued vacation and sick leave	425,937	350,079	(351,007)	425,009	40,000
Unearned revenue — Federal	623,743	104,386	(18,117)	710,012	218,981
Total noncurrent liabilities	$ 1,049,680	$454,465	$ (369,124)	$ 1,135,021	$258,981

11. SUBSEQUENT EVENTS

MORPC is exploring selling the current office facility and relocating to other office space in the downtown Columbus area. Bids for the sale of MORPC building and bids for leased office space have been solicited. Negotiations are ongoing.

* * * * * *

SUPPLEMENTARY INFORMATION

MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2006

	Actual	Budget	Variance favorable (unfavorable)
Revenue			
Transportation Programs	$ 3,388,371	$ 3,788,050	$ (399,679)
RideSolutions	480,179	467,700	12,479
Air Quality Awareness	214,618	221,200	(6,582)
Residential Energy Conservation	1,623,246	1,720,500	(97,254)
Housing and Community Development Programs	1,165,522	1,250,600	(85,078)
Planning and Executive Management	713,741	812,900	(99,159)
Other	191,091	197,850	(6,759)
Total Operating Revenues	**$ 7,776,768**	**$ 8,458,800**	**$ (682,032)**
Expenses			
Salaries and benefits	$ 4,147,686	$ 4,564,300	$ (416,614)
Materials and Supplies	194,324	325,000	(130,676)
Consultants, services and other	3,218,666	3,479,500	(260,834)
Depreciation	134,987	134,300	687
Total Expenses	**$ 7,695,663**	**$ 8,503,100**	**$ (807,437)**
Operating income (loss)	$ 81,105	$ (44,300)	125,405
Interest Income	$ 22,869	$ 24,000	(1,131)
Capital Contributions	116,838	143,700	(26,862)
Increase (decrease) in net assets	**$ 220,812**	**$ 123,400**	**$ 97,412**

MID-OHIO REGIONAL PLANNING COMMISSION

Details of Indirect Cost Allocation and Fringe Benefits Allocation

for the year ended December 31, 2006

	Estimated CY 2006	Actual CY 2006	Difference (Over Bdgt.) Under Bdgt.
Wages paid for time worked:			
Direct Labor	$ 2,056,114	$ 1,942,144	$ 113,970
Indirect Labor	$ 820,892	$ 752,602	$ 68,290
Total Labor - base for fringe allocation	**$ 2,877,006**	**$ 2,694,746**	**$ 182,260**
Fringe Benefits			
Annual Leave	$ 208,500	$ 178,347	$ 30,153
Holidays, funeral, jury, other	$ 92,000	$ 73,015	$ 18,985
Sick leave	$ 91,800	$ 89,104	$ 2,696
Retirement sick leave	$ 16,500	$ 21,369	$ (4,869)
Vacation carryover	$ 44,000	$ 57,575	$ (13,575)
Other	$ 2,000	$ 2,000	$ -
Subtotal Fringe Benefit Wages	$ 454,800	$ 421,410	$ 33,390
Other Fringe Benefits			
OPERS	$ 500,150	$ 471,463	$ 28,687
Workers Comp	$ 50,900	$ 7,097	$ 43,803
Unemployment Comp	$ 9,500	$ 10,779	$ (1,279)
Medicare Tax	$ 41,500	$ 37,300	$ 4,200
Group medical coverage	$ 467,500	$ 420,759	$ 46,741
Group EAP insurance	$ 12,500	$ 9,294	$ 3,206
Group Life Insurance	$ 2,050	$ 723	$ 1,327
Group Dental Insurance	$ 35,550	$ 29,440	$ 6,110
Group Vision Insurance	$ 5,600	$ 3,908	$ 1,692
Group Prescription Insurance	$ 141,000	$ 113,165	$ 27,835
Cost Sharing for Group Insurance	$ (80,000)	$ (72,398)	$ (7,602)
Prior Year Rate Adjustment (use only with fixed rate)	$ -	$ -	$ -
Subtotal Other Fringe Benefits	$ 1,186,250	$ 1,031,530	$ 154,720
Fringe benefits absorbed by MORPC		$ -	
TOTAL FRINGE BENEFITS	**$ 1,641,050**	**$ 1,452,940**	**$ 188,110**
Indirect Costs			
Salaries - Indirect Only	$ 820,892	$ 752,602	$ 68,290
Fringe Benefits for Indirect Salaries	$ 467,908	$ 405,784	$ 62,124
Materials & Supplies	$ 51,500	$ 44,531	$ 6,969
Services & Charges	$ 276,000	$ 260,549	$ 15,451
Rent, Utilities & Bldg Maint.	$ 95,000	$ 82,000	$ 13,000
Building Maintenance	$ 48,000	$ 44,768	$ 3,232
Other General Overhead	$ 56,300	$ 41,169	$ 15,131
Prior Year Rate Adjustment (use only with fixed rate)	$ (72,400)	$ -	$ (72,400)
TOTAL INDIRECT COSTS	**$ 1,743,200**	**$ 1,631,403**	**$ 111,797**
Direct Labor Costs by Department:			
Transportation Planning	$ 1,076,911	$ 980,548	$ 96,363
Ride Solutions and Enviromental Services	$ 219,936	$ 198,567	$ 21,369
Residential Energy	$ 330,876	$ 308,831	$ 22,045
Housing	$ 209,538	$ 194,420	$ 15,118
Planning/Executive Management	$ 268,662	$ 237,350	$ 31,312
Other Grants/Programs	$ 24,395	$ 22,428	$ 1,967
Less Estimated Turnover	$ (74,204)	$ -	$ (74,204)
Other	$ -	$ -	$ -
TOTAL DIRECT LABOR COSTS	**$ 2,056,114**	**$ 1,942,144**	**$ 113,970**

MID-OHIO REGIONAL PLANNING COMMISSION

Details of Indirect Cost Allocation and Fringe Benefits Allocation

for the year ended December 31, 2006

	Estimated CY 2006	Actual CY 2006	Difference (Over Bdgt.) Under Bdgt.
Calculated Direct vs. Indirect Fringe Benefits Costs			
Direct Labor Fringe Benefits	$ 1,172,813	$ 1,047,156	$ 125,657
Indirect Labor Fringe Benefits	$ 468,237	$ 405,784	$ 62,453
TOTAL FRINGE BENEFITS	***$ 1,641,050***	***$ 1,452,940***	***$ 188,110***
Fringe Benefit Cost Rate Computation			
TOTAL Fringe Benefit Costs /	$ 1,641,050	$ 1,452,940	
TOTAL Labor Costs (Direct & Indirect)	$ 2,877,006	$ 2,694,746	
= Fringe Benefit Cost Rate	**57.0%**	***53.9%***	

CY 2006				
Fringe Benefit Cost Recovery Comparison	***(Direct Labor Only)***			
Should have recovered in fiscal year (Actual Direct Labor) * Actual Fringe Benefit Cost Rate)		$ 1,047,156	*53.9%*	
Amount actually recovered in fiscal year (Actual Direct Labor) x ESTIMATED Fringe Benefit Cost Rate)		$ 1,107,022	*57.0%*	
(Over)/Under Recovery of Fringe Benefits		$ (59,866)	A (over)/under	
Indirect Cost Rate Computation				
TOTAL Indirect Costs /	$ 1,743,200	$ 1,631,403		
DIRECT Labor + Direct Labor Fringe Benefits	$ 3,228,098	$ 2,989,300		
= Indirect Cost Rate	**54.0%**	**54.6%**		
CY 2006				
Indirect Cost Recovery Comparison	***(All Indirect Costs, Indirect Labor & Indirect Labor Fringe Benefits)***			
Should have recovered in fiscal year ((Actual Direct Labor + Actual Direct Labor Fringe Benefits) x Actual Indirect Cost Rate)		$ 1,631,403	*54.6%*	*of Direct Labor + Direct Labor Fringe Benefits*
Amount actually recovered in fiscal year ((Actual Direct Labor + Estimated Direct Labor Fringe Benefits) x ESTIMATED Indirect Cost Rate)		$ 1,646,550	*54.0%*	*of Direct Labor + Direct Labor Fringe Benefits*
(Over)/Under Recovery of Indirect Costs		$ (15,147)	B (over)/under	

CY 2006		
Fringe Benefit Cost (Over)/Under Recovery	$ (59,866)	**A (over)/under**
Indirect Cost (Over)/Under Recovery	$ (15,147)	**B (over)/under**
Net (Over)/Under Recovery	$ (75,013)	

	Estimated CY 2006	Actual CY 2006
Summary		
Fringe Benefit Rate	**57.0%**	***53.9%***
Indirect Cost Rate	**54.0%**	***54.6%***
Total Overhead Cost Rate	**111.0%**	***108.5%***

MID-OHIO REGIONAL PLANNING COMMISSION

DETAILS OF CUMULATIVE REVENUE AND EXPENSES AND COMPUTATION OF PROJECT GRANTS ON FEDERAL TRANSPORTATION PROJECTS COMPLETED IN 2006

Year Ended December 31, 2006

	Federal Transit Administration FY 2006 Transit 134233 Planning Work Program	FY 2006 Federal Highway Administration/Ohio Department of Transportation 465817 Columbus Signal System Audit	FY 2005 Federal Highway Administration/Ohio Department of Transportation 465912 Air Quality Awareness	FY 2004 Federal Highway Administration/Ohio Department of Transportation 465807 Supplemental Planning 04	FY 2005 Federal Highway Administration/Ohio Department of Transportation 465907 Supplemental Planning 05
Revenues:					
Federal grants: FHWA		$	$ 165,000	$	$
FTA	$ 1,631,588				
STP		239,895		400,000	110,000
CMAQ					
COTA					
State grants: ODOT (FHWA match)			5,000		
ODOT (FTA match)	203,949				
COTA					
Allocation of per capita fees--FHWA					
Allocation of per capita fees--FTA	203,949				
Local matching funds		59,974			
Overexpenditure of FHWA contract			25		
Overexpenditure of FTA contract	309				
Overexpenditure of STP contract		6		27	20
Overexpenditure of CMAQ contract					
Overexpenditure of COTA contract					
Federal grants allocated					
State grants allocated					
In Kind Services					
TOTAL REVENUES	$ 2,039,795	$ 299,875	$ 170,025	$ 400,027	$ 110,020
Expenditures:					
Salaries and benefits	1,269,165	31,860	67,039	206,679	65,670
Consultants and services	9,052	250,038	15,719	79,178	8,862
Rent and utilities	183	0	69	0	0
Equipment and Rentals					
Supplies	12,601	3	6,243	20	24
Printing	8,394	0	1,706	0	0
Travel	16,517	231	3,688	525	0
Depreciation	17,039	0	486	0	0
Other	21,496	111	38,657	11	3
In-kind services					
Subtotal--direct expenditures	$ 1,354,447	$ 282,243	$ 133,607	$ 286,413	$ 74,559
Overhead and indirect cost allocation	$ 685,348	$ 17,632	$ 36,418	$ 113,614	$ 35,461
TOTAL EXPENDITURES	$ 2,039,795	$ 299,875	$ 170,025	$ 400,027	$ 110,020
Federal participation in project cost may not exceed	80%	100.00%	97%	100%	100%
Pursuant to contracts, the federal grant may not exceed the lesser of the percentage shown above, or	$ 1,631,588	$ 299,868	$ 170,000	$ 400,000	$ 110,000
Accordingly the federal grant permissible is:	$ 1,631,588	$ 299,868	$ 170,000	$ 400,000	$ 110,000
Less: Federal payments	1,631,588	299,868	170,000	400,000	110,000
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 2006

Year Ended December 31, 2006

Continued

	Federal Transit Administration (from FHWA) through COTA	Federal Transit Administration (from FHWA) through COTA
	COTA Transit Testing Modeling	COTA N. Corridor DEIS Study
Revenues:		
Federal grants: FHWA	$	$
FTA		
STP		
CMAQ	309,045	102,753
COTA		
State grants: ODOT (FHWA match)		
ODOT (FTA match)		
COTA		
Allocation of per capita fees--FHWA		
Allocation of per capita fees--FTA		
Local matching funds		
Overexpenditure of FHWA contract		
Overexpenditure of FTA contract		
Overexpenditure of STP contract		
Overexpenditure of CMAQ contract	24	
Overexpenditure of COTA contract		11
Federal grants allocated		
State grants allocated		
In Kind Services		
TOTAL REVENUES	$ 309,069	$ 102,764
Expenditures:		
Salaries and benefits	29,409	65,957
Consultants and services	263,163	7
Rent and utilities	0	0
Equipment and Rentals		
Supplies	76	757
Printing	0	0
Travel	535	304
Depreciation	0	0
Other	5	122
In-kind services		
Subtotal--direct expenditures	$ 293,188	$ 67,147
Overhead and indirect cost allocation	$ 15,881	$ 35,617
TOTAL EXPENDITURES	$ 309,069	$ 102,764
Federal participation in project cost may not exceed	100%	100%
Pursuant to contracts, the federal grant may not exceed the lesser of the percentage shown above, or	$ 309,045	$ 138,660
Accordingly the federal grant permissible is:	$ 309,045	$ 138,660
Less: Federal payments	309,045	138,660
Federal grant receivable	$ -0-	$ -0-

MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF COSTS BY SUBCATEGORY FOR
FEDERAL TRANSPORTATION GRANTS COMPLETED IN 2006

Year Ended December 31, 2006

	SUBCATEGORIES	FTA	ODOT	MORPC	FHWA	STP	COTA	CMAQ	LOCAL	MORPC	TOTAL
601	Short Range Planning	80.00%	10.00%	10.00%							100.00%
	60106-001 Short Range Multimodal Transp.	$157,524	$19,691	$19,690						$309	$197,214
	60106-002 Freight Planning	$92,846	$11,606	$11,606							$116,058
	60106-003 Safety Planning	$95,282	$11,910	$11,911							$119,103
	60106-004 Management & Operations Planning	$43,740	$5,467	$5,468							$54,675
602	Transportation Improvement Program	80.00%	10.00%	10.00%							100.00%
	60206-000 TIP & Implementation	$246,588	$30,824	$30,823							$308,235
605	Continuing Planning - Surveillance	80.00%	10.00%	10.00%							100.00%
	60506-001 Transportation Data & Surveillance	$280,165	$35,020	$35,021							$350,206
	60506-002 Transp Models & Applications	$212,244	$26,531	$26,530							$265,305
610	Long Range Planning	80.00%	10.00%	10.00%							100.00%
	61006-001 Long Range Multimodal	$321,874	$40,234	$40,234							$402,342
	61006-002 Transportation Public Involvement	$113,375	$14,172	$14,172							$141,719
625	Service	80.00%	10.00%	10.00%							100.00%
	62516-000 Assistance to Public & Members	$67,950	$8,494	$8,494							$84,938
665	Planning					100.0%					100.00%
	66523 - Supplemental Planning 04					$400,000				$27	$400,027
						100.0%					100.00%
	66533 - Supplemental Planning 05					$110,000				$20	$110,020
						80.0%			20.0%		100.00%
	66524 Columbus Signal System Audit					$239,895			$59,974	$6	$299,875
								100.0%			100.00%
	66534 COTA Transit Testing Modeling							$309,045		$24	$309,069
							100.0%				100.00%
	66536 COTA N. Corridor DEIS Study						$102,753			$11	$102,764
667	Ride Share Activities		2.94%		97.06%						100.00%
	66725 - Air Quality Awareness FY2005		$5,000		$165,000					$25	$170,025
	Total	$1,631,588	$208,949	$203,949	$165,000	$749,895	$102,753	$309,045	$59,974	$422	$3,431,575

III. STATISTICAL SECTION

Mid-Ohio Regional Planning Commission

Statistical Section

This part of MORPC's comprehensive annual financial report presents detailed information as a Context for understanding what the information in the financial statements, note disclosures, and Required supplementary information says about MORPC's overall financial health. These tables are presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 44, *Economic Condition Reporting: The Statistical Section.*

Contents	Tables
Financial Trends These schedules contain trend information to help understand how MORPC's financial performance and wellbeing have changed over time.	1-3
Revenue Capacity These schedules contain information to help access MORPC's most significant local revenue sources. MORPC does not have the authority to assess property taxes.	4-5
Debt Capacity The Ohio Revised Code does not provide MORPC the power to incur debt.	N/A
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which MORPC's financial activities take place.	6-9
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in MORPC's financial report relates to the services MORPC provides and the activities it performs.	10 -13

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. MORPC implemented GASB 34 in 2004.

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Table 1

Mid-Ohio Regional Planning Commission
Net Assets by Component
Last Three Years
(accrual basis of accounting)

	2004	2005	2006
Invested in capital assets, net of related debt	1,082,246	1,063,380	1,084,054
Restricted	0	0	0
Unrestricted	1,591,336	1,706,059	1,906,197
Total net assets	$2,673,582	$2,769,439	$2,990,251

Table 2

Mid-Ohio Regional Planning Commission
Changes in Net Assets - Revenue and Expense by Program
Last Three Years
(accrual basis of accounting)

	2004	2005	2006
Revenue			
Transportation	$3,319,754	$3,107,368	$3,388,371
RideSolutions	450,082	474,593	480,179
Air Quality Awareness	190,138	173,918	214,618
Residential Energy Conservation	1,535,960	1,639,559	1,623,246
Housing	1,036,700	1,064,958	1,165,522
Planning, Member Services & Other	755,343	826,916	713,741
Other	255,922	112,664	191,091
Total Operating Revenues	$7,543,899	$7,399,976	$7,776,768
Expenses			
Transportation	3,319,530	3,107,506	3,388,590
RideSolutions	450,086	474,593	480,179
Air Quality Awareness	190,138	173,986	214,616
Residential Energy Conservation	1,536,230	1,639,857	1,623,298
Housing	1,042,528	1,087,445	1,167,167
Planning, Member Services & Other	969,392	1,048,532	889,977
Other	69,730	(126,136)	(68,164)
Total Operating Expenses	$7,577,634	$7,405,783	$7,695,663
Operating Income (Loss)	($33,735)	($5,807)	$81,105
Interest Income			$22,869
Capital Contributions	$90,328	$101,664	$116,838
Increase (Decrease) in net assets	$56,593	$95,857	$220,812
Net Assets - beginning of year	$2,616,989	$2,673,582	$2,769,439
Net Assets - end of year	$2,673,582	$2,769,439	$2,990,251

Mid-Ohio Regional Planning Commission
Changes in Net Assets - Revenue by Source, Expense by Program
Last Three Years
(accrual basis of accounting)

	2004	2005	2006
Revenue			
Federal grants and contracts	$4,242,481	$4,010,115	$4,393,973
Members' per capita fees	512,771	511,968	545,829
State grants and contracts	635,900	463,247	537,531
Local contracts and other	932,770	1,113,432	978,898
Foundations/corporate contributions	167,797	165,820	230,450
Utility company contracts	1,052,180	1,135,394	1,090,087
Total Operating Revenues	$7,543,899	$7,399,976	$7,776,768
Expenses			
Transportation	3,319,530	3,107,506	3,388,590
RideSolutions	450,086	474,593	480,179
Air Quality Awareness	190,138	173,986	214,616
Residential Energy Conservation	1,536,230	1,639,857	1,623,298
Housing	1,042,528	1,087,445	1,167,167
Planning, Member Services & Other	969,392	1,048,532	889,977
Other	69,730	(126,136)	(68,164)
Total Operating Expenses	$7,577,634	$7,405,783	$7,695,663
Operating Income (Loss)	($33,735)	($5,807)	$81,105
Interest Income			$22,869
Capital Contributions	$90,328	$101,664	$116,838
Increase (Decrease) in net assets	$56,593	$95,857	$220,812
Net Assets - beginning of year	$2,616,989	$2,673,582	$2,769,439
Net Assets - end of year	$2,673,582	$2,769,439	$2,990,251

MID-OHIO REGIONAL PLANNING COMMISSION
Revenue Base and Revenue Rates
Estimated Population by Member Jurisdiction Used for Per Capita Membership Fees

Governmental Unit	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Cities:										
Bexley	13,289	13,290	13,293	13,314	13,320	13,217	13,217	13,229	13,244	13,254
Chillicothe	22,316	22,394	22,394	22,394	22,499	21,903	21,966	21,966	22,004	22,054
Circleville										
Columbus	684,928	696,849	701,426	705,652	714,413	726,601	734,024	743,343	754,876	763,351
Delaware	22,102	23,224	23,745	24,490	26,435	27,294	28,710	29,599	30,645	31,701
Dublin	22,337	23,103	24,976	26,039	30,556	32,269	35,523	36,313	37,590	38,909
Gahanna	33,605	33,950	34,503	34,892	35,214	33,118	33,194	33,588	33,866	34,098
Grandview Heights	7,027	7,027	7,027	7,027	7,027	6,695	6,695	6,695	6,695	6,695
Grove City	24,065	24,683	25,129	25,632	28,481	30,224	30,679	30,826	31,583	32,447
Hilliard	18,774	19,281	21,064	22,506	23,244	25,555	25,996	26,844	28,163	28,557
London	8,389	8,441	8,574	8,765	8,869	8,877	9,031	9,084	9,181	9,290
Marysville					14,530	16,986	17,386	17,386	17,771	18,369
Pickerington	7,744	7,895	8,035	8,377	8,755	10,452	11,259	12,159	13,066	13,573
Powell	3,929	4,544	4,981	5,346	6,009	7,115	6,995	7,434	8,755	9,607
Reynoldsburg	30,657	31,124	31,466	31,928	32,281	32,926	33,369	33,623	34,512	35,385
Upper Arlington	35,900	35,919	35,921	35,934	35,990	33,767	33,785	33,797	33,816	33,837
Washington	13,905	13,983	14,077	14,077	14,131	13,582	13,644	13,805	14,080	14,335
Westerville	34,412	34,833	34,948	35,926	36,278	35,908	36,018	36,069	36,326	36,517
Whitehall	20,612	20,612	20,675	20,696	20,702	19,207	19,207	19,207	19,209	19,211
Worthington	15,046	15,052	15,059	15,067	15,069	14,137	14,137	14,146	14,146	14148
Total Cities	1,019,037	1,036,204	1,047,293	1,058,062	1,093,803	1,109,833	1,124,835	1,139,113	1,159,528	1,175,338
Villages:										
Ashley										
Brice	106	106	106	106	106	70	70	70	70	70
Canal Winchester	3,294	3,482	3,722	3,935	4,281	4,987	5,144	5,449	5,751	6,087
Commercial Point										811
Etna										7,162
Granville Twp.										4,001
Groveport	3,378	3,439	3,573	3,602	3,688	4,121	4,323	4,683	5,034	5,161
Harrisburg	357	357	357	357	357	332	332	332	332	332
Lockbourne	383	383	283	283	283	280	280	280	280	280
Marble Cliff	652	652	652	652	652	646	646	646	646	565
Minerva Park	1,683	1,683	1,683	1,683	1,683	1,288	1,288	1,288	1,288	1,288
Mount Sterling						1,865	1,867	1,867	1,867	1,867
New Albany	2,688	3,100	3,361	3,550	3,970	4,323	4,675	4,927	5,526	5,965
New Rome	116	116	116	116	116	60		60		
Obetz	3,682	3,770	3,876	4,062	4,233	4,151	4,175	4,272	4,456	4,626
Riverlea	515	515	515	515	515	499	499	499	499	499
S. Bloomfield	838	935	943	951				1,223	1,378	1,250
Urbancrest	945	952	955	965	968	873	875	879	885	891
Valleyview	604	604	604	604	604	601	601	601	601	601
West Jefferson	4,530	4,530	4,535	4,546	4,546	4,331	4,401	4,401	4,416	4,438
Total Villages	23,771	24,624	25,281	25,927	26,002	28,427	29,176	31,477	33,029	45,894
Delaware Co. Balance					70,767	74,845	79,906	85,372	91,122	95,397
Violet Township					16,362	17,495	17,876	18,425	19,026	19,264
Fayette Co. Balance	14,490	14,537	14,977	14,977	15,200	15,218				
Unincorporated Franklin County	98,041	98,244	98,547	101,747	102,105	93,448	93,897	94,596	95,987	96,884
Ross County excluding City of Chillicothe	47,879	47,915	48,884	49,585	50,635	52,600	53,199	53,199	53,653	53,903
Total County Balances	160,410	160,696	162,408	166,309	255,069	253,606	244,878	251,592	259,788	265,448
Total full member population	1,203,218	1,221,524	1,234,982	1,250,298	1,374,874	1,391,866	1,398,889	1,422,182	1,452,345	1,486,680
Full member per capita rate	0.325	0.340	0.355	0.370	0.385	0.400	0.415	0.415	0.415	0.430

MID-OHIO REGIONAL PLANNING COMMISSION

Estimated Population by Member Jurisdiction Used for
Per Capita Membership Fees, Continued

December 31, 2006

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

Benefits of Membership - Flow of Funds

FY 2006 (July 2005 to June 2006)

Members/Governmental Unit	Members Dues and Investments	Return Flow of Funds from Federal, State and Utility Companies: TOTAL	Transportation	Infrastructure	Housing	Energy Conservation*
Dues						
City of Bexley	$5,595	$2,485,165	$260,742	$2,224,423	$0	$0
City of Chillicothe	$9,300	0	$0	$0	$0	$0
City of Circleville	$0	0	$0	$0	$0	$0
City of Columbus	$318,364	13,778,905	$9,378,256	$3,485,835	$10,720	$904,094
City of Delaware	$12,958	755,032	$755,032	$0	$0	$0
City of Dublin	$15,901	0	$0	$0	$0	$0
City of Gahanna	$14,301	3,035,164	$0	$2,999,990	$22,153	$13,021
City of Grandview Heights	$2,829	743,572	$0	$743,400	$0	$172
City of Grove City	$13,373	38,629	$0	$0	$24,660	$13,969
City of Hilliard	$11,710	2,816,127	$2,800,000	$0	$9,520	$6,607
City of London	$3,883	0	$0	$0	$0	$0
City of Marysville	$7,557	0	$0	$0	$0	$0
City of Pataskala	$3,379	0	$0	$0	$0	$0
City of Pickerington	$5,441	0	$0	$0	$0	$0
City of Reynoldsburg	$14,585	15,010	$3,716	$0	$1,035	$10,259
City of Upper Arlington	$14,288	0	$0	$0	$0	$0
City of Washington	$5,947	0	$0	$0	$0	$0
City of Westerville	$15,336	273,384	$270,819	$0	$0	$2,565
City of Whitehall	$8,116	81,962	$0	$0	$55,797	$26,165
City of Worthington	$5,978	2,520	$0	$0	$0	$2,520
The Village of Ashley	$0	0	$0	$0	$0	$0
Village of Brice	$800	0	$0	$0	$0	$0
Village of Canal Winchester	$2,444	2,841,404	$0	$2,838,506	$0	$2,898
Village of Groveport	$2,081	6,142	$0	$0	$0	$6,142
Village of Harrisburg	$800	149,040	$0	$149,040	$0	$0
Village of Lockbourne	$800	100	$0	$0	$0	$100
Village of Marble Cliff	$800	0	$0	$0	$0	$0
Village of Minerva Park	$800	3,202	$0	$0	$0	$3,202
Village of New Albany	$2,305	580,000	$0	$580,000	$0	$0
Village of New Rome	$0	0	$0	$0	$0	$0
Village of Obetz	$1,881	25,177	$0	$0	$18,281	$6,896
Village of Powell	$3,608	0	$0	$0	$0	$0
Village of Riverlea	$800	272	$0	$0	$0	$272
Village of South Bloomfield	$400	0	$0	$0	$0	$0
Village of Urbancrest	$800	31,241	$0	$0	$22,385	$8,856
Village of Valleyview	$800	0	$0	$0	$0	$0
Village of West Jefferson	$1,867	0	$0	$0	$0	$0
Mt Sterling	$800	0	$0	$0	$0	$0
Violet Township	$3,581	0	$0	$0	$0	$0
Unincorporated Franklin County	$40,459	18,156,129	$0	$17,752,593	$367,388	$36,148
Delaware County	$38,225	17,130	$17,130	$0	$0	$0
Fairfield County	$6,041	0	$0	$0	$0	$0
Fayette County	$0	0	$0	$0	$0	$0
Licking County	$1,576	26,707	$26,707	$0	$0	$0
Pickaway County	$0	0	$0	$0	$0	$0
Ross County - other	$22,628	0	$0	$0	$0	$0
Subtotal	$623,137	$45,862,014	$13,512,402	$30,773,787	$531,939	$1,043,886
Returns-not broken out by community						
Housing	na	$0	na	na	na	na
COTA	na	19,509,967	19,509,967	na	na	na
Franklin County/Regional	na	104,585,685	104,585,685	0	na	na
Subtotal	$0	$124,095,652	$124,095,652	$0	$0	na
Investments						
MORPC Transportation Planning	$1,770,667	na	na	na	na	na
MORPC Franklin County CDBG/HOME Admin	$126,445	na	na	na	na	na
MORPC Ross County Admin	$66,586	na	na	na	na	na
MORPC Chillicothe County Admin	$13,564	na	na	na	na	na
MORPC Marysville County Admin	$53,395	na	na	na	na	na
MORPC Infrastructure Admin	$186,752	na	na	na	na	na
MORPC Energy Conservation Admin	$696,745	na	na	na	na	na
Subtotal	$2,914,154	na	na	na	na	na
GRAND TOTAL	**$3,537,291**	**$169,957,666**	**$137,608,054**	**$30,773,787**	**$531,939**	**$1,043,886**

*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.

Table 6

MID-OHIO REGIONAL PLANNING COMMISSION
Principal Revenue Payers

	Governmental Unit	1997	% of full members' dues		Governmental Unit	2006	% of full members' dues
1.	Columbus	$ 222,602	56.9%	1.	Columbus	$ 328,241	51.3%
2.	Unincorporated Franklin County	31,863	8.1%	2.	Unincorporated Franklin County	41,660	6.5%
3.	Ross County excluding City of Chillicothe	15,561	4.0%	3.	Delaware Co. Balance	41,021	6.4%
4.	Upper Arlington	11,668	3.0%	4.	Ross County excluding City of Chillicothe	23,178	3.6%
5.	Westerville	11,184	2.9%	5.	Dublin	16,731	2.6%
6.	Gahanna	10,922	2.8%	6.	Westerville	15,702	2.5%
7.	Reynoldsburg	9,964	2.5%	7.	Reynoldsburg	15,216	2.4%
8.	Grove City	7,821	2.0%	8.	Gahanna	14,662	2.3%
9.	Dublin	7,260	1.9%	9.	Upper Arlington	14,550	2.3%
10.	Chillicothe	7,253	1.9%	10.	Grove City	13,952	2.2%

Source: MORPC Finance Department

Mid-Ohio Regional Planning Commission
MORPC Membership Population
Columbus M.S.A. Estimated Civilian Labor Force
and Annual Average Unemployment Rates
1997-2006

(Labor Force in Thousands)

Year	MORPC Membership Population	Columbus M.S.A. (1) Labor force (2)	Columbus M.S.A. (1) Unemployment rate (3)	Ohio Labor force (2)	Ohio Unemployment rate (3)	U.S. Unemployment rate (3)
1997	1,203,218	813.7	2.9	5,756.0	4.6	4.9
1998	1,221,524	811.8	2.7	5,678.0	4.3	4.5
1999	1,234,982	829.9	2.6	5,749.0	4.3	4.2
2000	1,250,298	850.8	2.5	5,783.0	4.1	4.0
2001	1,374,874	875.5	2.8	5,857.0	4.3	4.8
2002	1,391,866	882.9	4.4	5,828.0	5.7	5.8
2003	1,398,889	890.6	4.8	5,877.0	5.9	6.0
2004	1,422,182	888.8	4.9	5,890.0	6.5	5.4
2005	1,452,345	923.0	5.3	5,900.4	5.9	5.1
2006	1,486,680	938.6	4.7	5,934.0	5.5	4.6

(1) The Columbus M.S.A. includes Delaware, Fairfield, Franklin, Licking, Madison, and Pickaway counties.

(2) Civilian labor force is the estimated number of persons 16 years of age and over, employed and unemployed distributed by place of residence.

(3) The unemployment rate is equal to the estimate of unemployed persons divided by the estimated civilian labor force.

Source: Ohio Department of Job and Family Services, Bureau of Labor Market Information (preliminary data that is subject to change).

MID-OHIO REGIONAL PLANNING COMMISSION
Principal Employers in the Greater Columbus Area (1)

	Name of Employer	Number of Employees 1997		Name of Employer	Number of Employees 2006
1.	State of Ohio	28,015	1.	State of Ohio	26,613
2.	The Ohio State University	15,707	2.	The Ohio State University	19,919
3.	Honda of America Mfg., Inc.,	12,500	3.	JPMorgan Chase & Co.	14,726
4.	Banc One Corp.	10,992	4.	Nationwide	11,834
5.	Limited Inc.	10,000	5.	Federal Government	10,477
6.	Nationwide Insurance Co.	8,640	6.	OhioHealth	9,413
7.	City of Columbus	8,518	7.	City of Columbus	8,106
8.	Columbus Public Schools	7,557	8.	Columbus Public Schools	7,432
9.	Kroger Co.	7,500	9.	Limited Brands	7,200
10.	Franklin County	6,300	10.	Honda of America Mfg., Inc.,	6,900

(1) Greater Columbus Area includes Franklin, Delaware, Fairfield, Licking, Madison, Pickaway,

Source: City of Columbus 2006 Comprehensive Annual Financial Report

Mid Ohio Regional Planning Commission

Table 9

Area in Square Miles by Member Jurisdiction

As of December 31,

Governmental Unit	1997 Area In Square Miles	2006 Area In Square Miles
Ross County less City of Chillicothe	678.59	681.84
Delaware County less Cities of Columbus, Delaware, Dublin, Powell and Westerville	439.12	426.08
Fayette County without Washington C.H.	400.89	397.85
The City of Columbus	209.00	222.53
Unincorporated Franklin County	221.00	188.84
The City of Dublin	21.10	25.62
The City of Delaware	14.29	18.84
The City of Grove City	12.80	16.37
The City of Hilliard	12.90	13.68
The City of Westerville	12.10	12.45
The City of Gahanna	11.60	11.45
The City of Reynoldsburg	8.80	11.91
The City of Upper Arlington	9.90	9.90
The City of Chillicothe	8.91	11.08
The Village of Groveport	8.40	9.17
The City of Pickerington	5.50	9.49
The Village of New Albany	8.20	10.15
The City of London	8.00	8.20
The City of Washington C.H.	6.11	8.75
The Village of Canal Winchester	5.80	7.10
The City of Worthington	6.40	6.39
The Village of Obetz	3.70	5.66
The City of Whitehall	5.30	5.34
The Village of South Bloomfield	0.80	5.30
The Village of West Jefferson	2.20	4.37
The Village of Powell	2.84	4.90
The City of Bexley	2.50	2.45
The Village of Lithopolis		1.99
The City of Grandview Heights	1.40	1.35
The Village of New Rome	1.00	
The Village of Minerva Park	0.50	0.49
The Village of Urbancrest	0.30	0.49
The Village of Marble Cliff	0.30	0.31
The Village of Riverlea	0.20	0.20
The Village of Valley View	0.10	0.14
The Village of Brice	0.10	0.11
The Village of Lockbourne	0.10	0.11
The Village of Harrisburg	0.10	0.27
Total area in square miles	2,130.85	2,141.17

Source: County Engineers, MORPC and Member Communities

Table 10

Mid-Ohio Regional Planning Commission
Employees by Function/Activity
Last Ten Years

Number of Employees as of December 31,

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Transportation	16	20	21	21	24.5	21	25.5	22.5	23.25	22.75
RideSolutions	5	4	4	6	4	3	4	4	4	4
Air Quality Awareness	0	0	0	0	1	1	0.5	0.5	0.5	0.5
Residential Energy Conservation	15	16	15	17	17	11	8	8	8	8
Housing	8.5	10	9	9	9	7	7	7	6	6.5
Planning Members Services & Other	28.5	30.75	33.5	30	26.5	28	24	22	22.5	22.5
Total	73	80.75	82.5	83	82	71	69	64	64.25	64.25

Source: Mid-Ohio Regional Planning Commission, Human Resources & Administrative Services Department

Method: 1.0 for each full-time, 0.50 for each part-time and 0.25 for each intern

Table 11

Mid-Ohio Regional Planning Commission
Operating Indicators
Last Three Years

	2004	2005	2006
Federal transportation projects completed	4	4	7
Total cost of transportation projects completed	$ 3,069,006	$ 2,650,512	$ 3,431,575
Franklin County single family rehab units completed	11	16	22
Columbus Compact single famiy rehab units completed	10	4	11
Ross County CHIP			
Single Family Rehab	5		4
Home Repair	12	19	1
Down Payment Assistance	3		
Homebuyer counseling			24
Marysville CHIP			
Single Family Rehab		4	1
Home Repair	7	7	8
Down Payment Assistance	1		
Down Payment Assistance with rehab		5	1
Fair housing training			17
Chillicothe			
Single Family Rehab		11	
Home Repair	8	6	
Delaware County			
Single Family Rehab	4		
Other downpayment assistance payments	38	91	79
Homeownership clients counseled	239	352	253
Homeownership clients receiving one-on-one counseling	136	252	148
Homeownership class graduates	175	196	184
Home Weatherization Assistance Program home visits	120	120	71
Home Weatherization Assistance Program units weatherized	142	156	150
WarmChoice Program inspections	326	368	335
WarmChoice Program furnace repair/replacements	274	366	323

Source: Mid-Ohio Regional Planning Commission comprehensive annual financial report transmittal letters

Table 12

Mid-Ohio Regional Planning Commission
Capital Assets
Last Three Years

	2004	2005	2006
Transportation			
Computers	17	23	31
RideSolutions			
Computers	3	4	4
Vehicles	1	1	1
Air Quality			
Computers	1	1	1
Residential Energy Conservation			
Computers	8	8	10
Vehicles	9	8	7
Blower Door	5	5	5
Computer Analyzer	8	8	9
Housing			
Computers	7	7	7
XRF Spectrum Analyzer	1	1	1
Planning, Members Services & Other			
Building	1	1	1
Computers	109	117	78
Vehicles	2	2	2

Source: Mid-Ohio Regional Planning Commission fixed asset records

Mid-Ohio Regional Planning Commission

Schedule of Insurance Coverage

December 31, 2006

	Existing coverage - policies in force	Limits of liability
1.	**Type**	**Commercial Umbrella**
	Each Occurrence	$5,000,000
	General Aggregate	$5,000,000
	Local Agent	*Wichert Insurance*
	Insurance Company	*Westfield Ins. Co.*
		Aspen Specialty-Public Officials
	Expires	*November 1, 2007*
2.	**Type**	**Commercial General Liability**
	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
3.	**Type**	**Employer's Liability**
	Employer's Liability Stop Gap	$1,000,000
	Deductible (None)	$0
4.	**Type**	**Employee Benefits Liability**
	Aggregate Limit	$2,000,000
	Each Claim Limit	$1,000,000
	Deductible	$1,000
5.	**Type**	**Crime Coverage**
	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	$500
6.	**Type**	**Miscellaneous**
	Information Technology Coverage	$450,000
	Camera Equipment	$33,000
	Valuable Papers and Records - Cost of Research	$300,000
	Fine Arts	$0
	Builder's Risk/Installation Coverage	$0
	Contractors' Equipment Coverage	$42,957
	Deductible	$500
7.	**Type**	**Commercial Property Coverage**
	Personal Property - 285 East Main St.	$850,000
	Personal Property - 501 Industry Drive	$24,000
	Extra Expense - 285 East Main St. & 501 Industry Drive	$250,000
	Deductible	$5,000

(continued)

Mid-Ohio Regional Planning Commission

Schedule of Insurance Coverage

December 31, 2006

	Existing coverage - policies in force	Limits of liability	
8.	**Type**	**Lead Abatement Coverage for HUD Grant**	
	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		$5,000
	Local Agent	*Wichert Insurance*	
	Insurance Company	*Bonding and Insurance Specialist*	
	Expires	*September 8, 2007*	
9.	**Type**	**Automobile**	
	Limit of Liability		$1,000,000
	Auto Medical Payments (Each Person)		$5,000
	Deductible - Comprehensive Coverage		$500
	Deductible - Collision Coverage		$500
	Local Agent	*Wichert Insurance*	
	Insurance Company	*Westfield Ins. Co.*	
	Expires	*November 1, 2007*	
10.	**Type**	**Building and Contents**	
	Limit of Liability		
	Building		$3,500,000
	Deductible		$5,000
	Local Agent	*Wichert Insurance*	
	Insurance Company	*Westfield Ins. Co.*	
	Expires	*November 1, 2007*	
11.	**Type**	**HOPE 3 Home Insurance**	
	Properties without a building are covered under MORPC's general liability coverage		
12.	**Type**	**Architects & Engineers Errors & Omissions Insurance**	
	Each Claim		$1,000,000
	Annual Aggregate		$1,000,000
	Deductible		$5,000
	Local Agent	*Wichert Insurance*	
	Insurance Company	*Landmark America*	
	Expires	*September 25, 2007*	
13.	**Type**	**Contractor's Pollution Liability**	
	Aggregate Limit		$500,000
	Each Claim Limit		$500,000
	Deductible		$2,500
	Local Agent	*BC Environmental Insurance Brokers*	
	Insurance Company	*American Safety Insurance*	
	Expires	*October 30, 2007*	

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

Source: MORPC insurance policies.

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IV. SINGLE AUDIT SECTION

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

To the Members of
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, 2006, and have issued our report thereon dated June 14, 2007. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered MORPC's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but for the purpose of expressing an opinion on the effectiveness of MORPC's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of MORPC's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency or combination of control deficiencies that adversely affects MORPC's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of MORPC's financial statements that is more than inconsequential will not be prevented or detected by MORPC's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by MORPC's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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 grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of MORPC in a separate letter dated June 14, 2007.

This report is intended solely for the information and use of MORPC's board, management, its federal awarding agencies, state funding agencies, pass-through entities, 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

June 14, 2007

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL AWARD PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To the Members of
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 each of its major federal programs for the year ended December 31, 2006. MORPC's major federal programs are 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 grant agreements applicable to each of its major federal programs 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 on 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 each of its major federal programs for the year ended December 31, 2006. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 06-1.

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 grant agreements 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 but not for the purpose of expressing an opinion of the effectiveness of internal control over compliance.

Accordingly, we do not express an opinion on the effectiveness of MORPC's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify and deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

MORPC's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit MORPC's responses and, accordingly, we express no opinion on them.

Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of MORPC, as of and for the year ended December 31, 2006, and have issued our report thereon dated June 14, 2007. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. This schedule is the responsibility of the management of MORPC. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects when considered in relation to the basic 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, state funding agencies, pass-through entities, 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

June 14, 2007

MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended December 31, 2006

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, 2006	Cash Received	Federal Expenditures	Accrued (deferred) revenue at Dec. 31, 2006
Federal Highway Administration:							
Passed through Ohio Department of Transportation:							
FY 2006 Rideshare Program	20.205	465999	560,000	110,647	468,567	433,949	76,029
FY 2007 Rideshare Program	20.205	466081	585,000			46,229	46,229
Supplemental Planning 2004	20.205	465807	400,000	1,855	1,855		0
Supplemental Planning 2005	20.205	465907	110,000	24,858	83,340	58,482	0
Supplemental Planning 2006	20.205	466000	410,000	86,428	352,237	301,291	35,482
Supplemental Planning 2007	20.205	466079	250,000		17,420	33,083	15,663
Air Quality Awareness FY 2005	20.205	465909	165,000	1,439	1,439		0
Air Quality Awareness FY 2006	20.205	466001	212,000	50,099	193,690	143,804	213
Air Quality Awareness FY 2007	20.205	466080	215,000		34,508	65,812	31,304
Columbus Signal Audit & Planning	20.205	465817	240,000	594	600	6	0
I-270/US 33 MIS	20.205	465660	800,000	80,473	178,314	100,238	2,397
I-270/US 33 MIS Part II	20.205	465660	400,000	115,677	344,345	246,096	17,428
Total Ohio Department of Transportation				472,070	1,676,315	1,428,990	224,745
Total Federal Highway Administration - CFDA #20.205				472,070	1,676,315	1,428,990	224,745
Federal Transit Administration:							
Passed through Ohio Department of Transportation:							
FY 2006	20.505	134233	1,631,588	318,338	1,246,076	927,738	0
FY 2007	20.505	134286	1,476,674		325,225	548,194	222,969
Total Ohio Department of Transportation				318,338	1,571,301	1,475,932	222,969
Total Federal Transit Administration - CFDA #20.505				318,338	1,571,301	1,475,932	222,969
Passed through Central Ohio Transit Authority:							
Transit Testing/Modeling	20.500	0937W	45,932	3,552	3,552		0
North Corridor DEIS Study	20.500	0937X	138,660	44,097	87,892	43,795	0
Total Central Ohio Transit Authority				47,649	91,444	43,795	0
Total Federal Transit Administration - CFDA #20.500				47,649	91,444	43,795	0
U.S. Department of Energy:							
Passed Through Ohio Department of Development:							
Weatherization Assistance FY 2005 #140	81.042	05-140	349,999	(2,101)	58,636	60,737 **	0
Weatherization Assistance FY 2006 #140	81.042	06-140	349,999		185,047	240,862 ***	55,815
Total Ohio Department of Development				(2,101)	243,683	301,599	55,815
Total U.S. Department of Energy - CFDA #81.042				(2,101)	243,683	301,599	55,815

MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended December 31, 2006

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, 2006	Cash Received	Federal Expenditures	Accrued (deferred) revenue at Dec. 31, 2006
U.S. Department of Health and Human Services:							
Passed Through Ohio Department of Development:							
Weatherization Assistance FY 2005 #140	93.568	05-140	319,144	(17,891)	55,747	73,638	0
Weatherization Assistance FY 2006 #140	93.568	06-140	361,205		77,310	133,670	56,360
Total Ohio Department of Development				(17,891)	133,057	207,308	56,360
Total U.S. Deparatment of Health and Human Services - CFDA #93.568				(17,891)	133,057	207,308	56,360
U.S. Department of Housing and Urban Development:							
HOPE 3 Sales Proceeds	14.240	N/A	-	46,167	30,167	35,753	51,753
Homebuyer Counseling 2005	14.240	HC05-0398118	25,000		25,000	25,000	0
Homebuyer Counseling 2006	14.240	HC06-0398115	30,000			2,346	2,346
Total CFDA 14.240				46,167	55,167	63,099	54,099
Passed through the City of Columbus:							
Community Development Block Grant							
Columbus Homebuyer Counseling 2005	14.218	DL010598	20,000	2,801	12,702	9,901	0
Columbus Homebuyer Counseling 2006	14.218	DL012151	20,000		6,514	10,043	3,529
FY 2005 Columbus Hsg Advisory Bd.	14.218	DE063130	10,000	3,210	5,732	2,522	0
FY 2006 Columbus Hsg Advisory Bd.	14.218	DE069579	10,000		4,423	6,684	2,261
Total City of Columbus CFDA #14.218				6,011	29,371	29,150	5,790
Passed through Franklin County:							
Community Development Block Grant							
FY 2005 - Housing Advisory Board	14.218	N/A	10,000	2,496	8,764	6,268	0
FY 2006 - Housing Advisory Board	14.218	N/A	10,000			4,380	4,380
Total Franklin County CFDA #14.218				2,496	8,764	10,648	4,380
Total CFDA #14.218				8,507	38,135	39,798	10,170
Passed through Franklin County:							
HOME Program							
FY 2005 - Single Family Rehab	14.239	N/A	569,250	57,484	529,342	471,858	0
FY 2006 - Single Family Rehab	14.239	N/A	660,177		17,200	45,415	28,215
Total Franklin County CFDA #14.239				57,484	546,542	517,273	28,215
Passed through Ohio Departmement of Development through Ross County							
FY 2006 Comprehensive Housing	14.239	B-C-06-066-2	53,500				
Total CFDA #14.239				57,484	546,542	517,273	28,215

MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended December 31, 2006

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, 2006	Cash Received	Federal Expenditures	Accrued (deferred) revenue at Dec. 31, 2006
Passed through Ohio Departmement of Development through Ross County							
FY 2004 Comprehensive Housing Improvement Program	14.228	B-C-04-066-1	110,200	16,838	53,082	36,244	0
FY 2006 Comprehensive Housing Improvement Program	14.228	B-C-06-066-1	48,500			1,775	1,775
Total Ross County - CFDA #14.228				16,838	53,082	38,019	1,775
Passed through Ohio Departmement of Development through City of Marysville							
FY 2003 Comprehensive Housing Improvement Program	14.228	N/A	143,300	1,000			1,000
FY2005 Comprehensive Housing Improvement Program	14.228	N/A	137,500	6,197	56,080	60,644	10,761
Form05 Fair Housing	14.228	N/A	4,000		4,000	4,000	0
Total City of Marysville - CFDA #14.228				7,197	60,080	64,644	11,761
Total U.S. Department of Housing and Urban Development - CFDA # 14.228				24,035	113,162	102,663	13,536
Temporary Assistance for Needy Families (TANF)							
Passed Through Franklin County Dept of Job & Family Services							
TANF Healthy & Fit Maps	93.558	25-06-6055	47,950	2,635	47,450	43,323	(1,492)
Total CFDA #93.558				2,635	47,450	43,323	(1,492)
Empowerment Zone Block Grant							
Passed thought the Columbus Compact Corporation							
Columbus Compact Rehab Project	14.244	NL-2002-1	500,000	(960)	49,548	50,508	0
Columbus Compact Rehab Project 2005	14.244	NL-2005-1	300,000	4,738	65,454	93,440	32,724
Total CFDA #14.244				3,778	115,002	143,948	32,724
Passed through Enterprise Foundation							
Community Development Block Grant Enterprise Foundation	N/A	04SG134	9,000	(9,000)	0	-	(9,000)
Total Federal Financial Assistance Program				$ 951,671	$ 4,631,258	$ 4,367,728	$ 688,141

** Includes $1,634 of contributed capital expenditures relating to the purchase of equipment.

*** Includes $1,683 of contributed capital expenditures relating to the purchase of equipment.

MID-OHIO REGIONAL PLANNING COMMISSION

NOTES TO SCHEDULE OF FEDERAL AWARDS
AS OF DECEMBER 31, 2006

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
AS OF DECEMBER 31, 2006

PART I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
1. Material Weakness(es) identified?	_____ Yes __X__ No
2. Significant deficiencies identified not considered to be material weaknesses?	_____ Yes __X__ No
3. Noncompliance material to financial statements noted?	_____ Yes __X__ No
Federal Awards:	
4. Material weakness(es) identified?	_____ Yes __X__ No
5. Significant deficiencies identified not considered to be material weaknesses?	_____ Yes __X__ No
Type of auditor's report issued on compliance for major programs:	Unqualified
6. Any audit findings disclosed that are required to be reported in accordance with Circular A-133 (Section 510(a) of Circular A-133?	__X__ Yes _____ No
7. The System's major program was:	

Name of Federal Program or Cluster	CFDA Number
Weatherization Assistance for Low-income Persons	81.042
Federal Transit Metropolitan Grant	20.505

8. Dollar Threshold used to distinguish between Type A and Type B programs?	$300,000
9. Auditee qualified as low-risk auditee:	__X__ Yes _____ No

MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF DECEMBER 31, 2006

PART II—FINANCIAL STATEMENT FINDINGS SECTION

No matters were reportable.

PART—III FEDERAL AWARDS FINDINGS SECTION

#06-1: Cash Management – Inaccurate Repayment of Interest

Grantor: U.S. Department of Energy ("DOE") – Ohio Department of Development

CFDA Number: 81.042 - Weatherization Assistance for Low-Income Persons

Finding: MORPC received an advance of funds for the Home Weatherization Program (HWAP) for program year 2006 from the Ohio Department of Development. The money was deposited with Franklin County in an interest-earning account until December 31, 2006. OMB Circular A-133 allows non-State non-profit entities to keep $250 for administrative purposes. For the grant year basis of April 1, 2006 to March 31, 2007, MORPC kept $500 of the interest earned for administrative purposes.

Effect: By not returning the appropriate amount of interest earned, MORPC is not in compliance with the requirements OMB Circular A-133 for cash management.

Questioned Cost: $250

Recommendation: MORPC should return $250 to the Ohio Department of Development. This will ensure that MORPC has complied with the cash management requirements.

Views of Responsible Officials: The original return of interest for the program year that ended March 31, 2007 was made on May 9, 2007. The balance due of $250 was remitted on June 7, 2007.

PART IV—SUMMARY OF PRIOR AUDIT FINDINGS

None noted

Mary Taylor, CPA
Auditor of State

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 28, 2007

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