

***MIAMI VALLEY REGIONAL PLANNING COMMISSION  
MONTGOMERY COUNTY, OHIO***

***AUDIT REPORT***

***FOR THE YEAR ENDED JUNE 30, 2011***

***Charles E. Harris and Associates, Inc.***  
**Certified Public Accountants and Government Consultants**





# Dave Yost • Auditor of State

Board of Directors  
Miami Valley Regional Planning Commission  
One South Main Street  
Dayton, Ohio 45402

We have reviewed the *Report of Independent Accountants* of the Miami Valley Regional Planning Commission, Montgomery County, prepared by Charles E. Harris & Associates, Inc., for the audit period July 1, 2010 through June 30, 2011. 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 Miami Valley Regional Planning Commission is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

February 29, 2012

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**MIAMI VALLEY REGIONAL PLANNING COMMISSION**

**AUDIT REPORT**

**For the Year Ended June 30, 2011**

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**MIAMI VALLEY REGIONAL PLANNING COMMISSION**

**AUDIT REPORT**

**For the Year Ended June 30, 2011**

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**REPORT OF INDEPENDENT ACCOUNTANTS**

Miami Valley Regional Planning Commission  
Montgomery County  
One South Main Street  
Dayton, Ohio 45402

To the Members of the Board of Directors:

We have audited the accompanying financial statements of the governmental activities and each major fund of the Miami Valley Regional Planning Commission, Montgomery County, Ohio (MVRPC), as of and for the year ended June 30, 2011, which collectively comprise the MVRPC's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Miami Valley Regional Planning Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

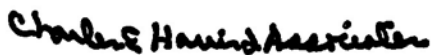
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Miami Valley Regional Planning Commission, as of June 30, 2011, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in note 13, MVRPC implemented Governmental Accounting Standard Board Statement No.54, "Fund Balance Reporting and Governmental Fund Type Definitions."

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2011 on our consideration of the Miami Valley Regional Planning Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 7 and 24 through 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the MVRPC's financial statements as a whole. The schedules presented on pages 26-29 are presented for purposes of additional analysis and are not a part of the basic financial statements. The accompanying federal awards receipts and expenditures schedule is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The federal awards receipts and expenditures schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The accompanying schedules included on pages 26-29 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.



*Charles E. Harris & Associates, Inc.*  
December 2, 2011



## Miami Valley Regional Planning Commission

Management's Discussion and Analysis  
June 30, 2011  
(Unaudited)

The discussion and analysis of the Miami Valley Regional Planning Commission's (MVRPC) financial performance provides an overall review of the MVRPC's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the MVRPC's financial performance as a whole; readers should also review the financial statements and the notes to the basic financial statements to enhance their understanding of the MVRPC's financial performance.

### Financial Highlights

Key financial highlights for fiscal year 2011 are as follows:

#### *Overall:*

- Total net assets increased \$177,282 for fiscal year (FY) 2011.
- Total assets of governmental activities increased by \$311,500, primarily due to an increase in grant receivables. Also, capital assets, net of depreciation decreased by \$29,658.
- General revenues accounted for \$467,046 or 11 percent of total revenue. Program revenues in the form of charges for services and operating grants were \$3.77 million, which was more than FY2010 primarily because of two American Recovery and Reinvestment Act (ARRA) grants.
- MVRPC's \$4.06 million in expenses were offset by program revenues of \$3.77 million, and member dues of \$466,444. Membership dues were slightly greater than FY2010.

### **Using the Basic Financial Statements**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Miami Valley Regional Planning Commission as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole MVRPC, presenting both an aggregated view of the MVRPC's finances and a longer-term view of those statements. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the MVRPC's most significant funds, the General Fund and Special Revenue Fund.

### **Reporting the MVRPC as a Whole**

#### ***Statement of Net Assets and the Statement of Activities***

The Statement of Net Assets and the Statement of Activities answers the question "How did we do financially during 2011?" These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the MVRPC's net assets and changes in those assets. This change in net assets is important because it shows MVRPC's change in financial results for the year ended June 30, 2011.

**Miami Valley Regional Planning Commission**

Management's Discussion and Analysis  
June 30, 2011  
(Unaudited)

In the Statement of Net Assets and the Statement of Activities, MVRPC reports governmental activities. All of MVRPC's activities are considered Governmental activities. They include, but are not limited to, transportation planning, environmental planning, community planning and support services. The MVRPC does not have any business-type activities.

Table 1 provides a summary of the MVRPC's net assets for 2011 and 2010:

TABLE 1  
Statement of Net Assets

|                                                   | <u>2011</u>         | <u>2010</u>         | <u>Change</u>     |
|---------------------------------------------------|---------------------|---------------------|-------------------|
| <i>ASSETS</i>                                     |                     |                     |                   |
| Current Assets                                    | \$ 3,657,556        | \$ 3,316,398        | \$ 341,158        |
| Capital Assets Being Depreciated (net)            | 18,614              | 48,272              | (29,658)          |
| Total Assets                                      | <u>\$ 3,676,170</u> | <u>\$ 3,364,670</u> | <u>\$ 311,500</u> |
| <br><i>LIABILITIES</i>                            |                     |                     |                   |
| Current Liabilities                               | \$ 481,717          | \$ 368,608          | \$ 113,109        |
| Long Term Liabilities                             | 159,509             | 138,400             | 21,109            |
| Total Liabilities                                 | <u>\$ 641,226</u>   | <u>\$ 507,008</u>   | <u>\$ 134,218</u> |
| <br><i>NET ASSETS</i>                             |                     |                     |                   |
| Investment in Capital Assets, net of related debt | \$ 18,614           | \$ 46,094           | \$ (27,480)       |
| Unrestricted                                      | 3,016,330           | 2,811,568           | 204,762           |
| Total Net Assets                                  | <u>\$ 3,034,944</u> | <u>\$ 2,857,662</u> | <u>\$ 177,282</u> |

The amount by which the MVRPC's assets exceeded its liabilities is called net assets. As of June 30, 2011, the MVRPC's net assets were \$3.03 million. Total net assets increased by \$177 thousand. MVRPC's long term liabilities increased by \$21 thousand, due to an increase in the sick leave liability. Current liabilities increased by \$113 thousand, primarily due to increased accounts payable from grant activity and a small decrease in deferred revenue.

Of the total net asset amount, approximately \$19 thousand was invested in net capital assets, net of debt related to those assets. The remaining balance of \$3.02 million was unrestricted and available for future use as directed by the MVRPC Board.

**Miami Valley Regional Planning Commission**

Management's Discussion and Analysis  
June 30, 2011  
(Unaudited)

Table 2 shows the changes in net assets for fiscal year 2011 compared to 2010.

TABLE 2  
Statement of Activities – Change in Net Assets

|                          | <u>2011</u>         | <u>2010</u>         | <u>Change</u>       |
|--------------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>          |                     |                     |                     |
| <u>Program Revenues:</u> |                     |                     |                     |
| Operating Grants         | \$ 3,769,429        | \$ 2,680,115        | \$ 1,089,314        |
| <u>General Revenues:</u> |                     |                     |                     |
| Membership Dues          | 466,444             | 465,584             | 860                 |
| Miscellaneous            | 602                 | 1,692               | (1,091)             |
| Total Revenues           | <u>\$ 4,236,475</u> | <u>\$ 3,147,391</u> | <u>\$ 1,089,083</u> |
| <b>Program Expenses</b>  |                     |                     |                     |
| General Government       | \$ 97,476           | \$ 85,711           | \$ 11,765           |
| Transportation Planning  | 2,959,385           | 2,630,836           | 328,549             |
| Environmental Planning   | 190,988             | 140,741             | 50,247              |
| Regional Planning        | 811,344             | 72,086              | 739,258             |
| Total Expenses           | <u>\$ 4,059,193</u> | <u>\$ 2,929,374</u> | <u>\$ 1,129,819</u> |
| Increase in Net Assets   | <u>\$ 177,282</u>   | <u>\$ 218,017</u>   | <u>\$ (40,736)</u>  |

Total operating grants revenue increased by \$1 million from 2010 primarily due to two American Recovery and Reinvestment Act (ARRA) grants. Environmental planning expenses increased by \$50 thousand due to new Ohio EPA grants for water quality plan updates. Regional planning expenses increased by \$739 thousand due to a full year of the ARRA grant for worker training from the Department of Labor and the National Association of Regional Councils.

MVRPC is extremely dependent upon intergovernmental revenues (federal grants) provided by the federal government through the State of Ohio; approximately 89 percent of the MVRPC's total revenue was received from intergovernmental sources during FY2011. MVRPC has been able to maintain a stable financial position through careful management of expenses. However, MVRPC is vulnerable to changes in federal and state grant programs.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

## Miami Valley Regional Planning Commission

Management's Discussion and Analysis  
June 30, 2011  
(Unaudited)

### Reporting the MVRPC's Most Significant Funds

The MVRPC's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual, which measures cash and all other financial assets that can readily be converted to cash within one year. The governmental fund statements provide a detailed short-term view of the MVRPC's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance MVRPC programs. The relationship (or differences) between activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Fund financial reports provide detailed information about the General Fund. The MVRPC uses two funds to account for a multitude of financial transactions. Both of these funds are considered significant.

The Governmental fund (short term) General Fund had total revenue of \$0.6 million plus other financing sources of \$1.4 million. Expenditures totaled \$1.8 million. Governmental fund balance increased by \$228 thousand in 2011 to \$3.2 million.

The Special Revenue Fund provides the detail of all federal grants received by MVRPC. The Special Revenue Fund had total revenues of \$3.6 million. This was intergovernmental revenues from federal grants, primarily from the U. S. Department of Transportation. The use of these funds had local net matching requirements of \$210 thousand. This was provided by the General Fund as operating transfers-in.

### General Fund Budgeting Highlights

The MVRPC's budget is prepared on the modified accrual method. The most significant budgeted funds are the General Fund and the Special Revenue Fund.

During the course of fiscal year 2011, the MVRPC amended its budget. The primary budget variance was unspent contract expenses and resulting revenue that will carryover to the next year.

### Capital Assets

At the end of fiscal year 2011, the MVRPC had \$19 thousand net invested in furniture, equipment, and leasehold improvements in governmental activities.

Table 3 shows fiscal year 2011 capital assets balances compared to 2010:

|                                           | <u>2011</u>      | <u>2010</u>      |
|-------------------------------------------|------------------|------------------|
| Furniture                                 | \$ 69,153        | \$ 69,153        |
| Equipment                                 | 289,480          | 286,600          |
| Leasehold Improvements                    | 68,556           | 68,556           |
| Less: Accumulated Depreciation            | (408,575)        | (376,037)        |
| Less: Lease Liability                     | -                | (2,178)          |
| Investment in Capital Assets, net of debt | <u>\$ 18,614</u> | <u>\$ 46,094</u> |

Overall net capital assets decreased approximately \$27 thousand from fiscal year 2010.

## **Miami Valley Regional Planning Commission**

Management's Discussion and Analysis  
June 30, 2011  
(Unaudited)

### For the Future

The Miami Valley Regional Planning Commission continues to rely primarily on federal grants to finance its planning activities. The majority of these federal grants are provided by the U.S. Department of Transportation through the State of Ohio.

On August 10, 2005 the President signed the Transportation Reauthorization Act entitled "Safe, Accountable, Flexible and Efficient Transportation Equity Act: A Legacy for Users" (SAFETEA-LU). This Act which ran through September 30, 2009, has been extended while new legislation is developed by Congress. New national transportation funding legislation is now being debated in Congress.

The Act is the vehicle by which federal funds are provided to Metropolitan Planning Organizations (MPO). MVRPC is the MPO for this region.

### Contacting the MVRPC's Financial Management

This financial report is designed to provide our members, citizens and taxpayers, with a general overview of the MVRPC's finances and to show the MVRPC's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Director of Finance and Administration's Office at Miami Valley Regional Planning Commission, One South Main St. Suite 260, Dayton, Ohio 45402 or call (937) 223-6323.

# Miami Valley Regional Planning Commission

## Statement of Net Assets As of June 30, 2011

| <b>ASSETS</b>                                     |                     |
|---------------------------------------------------|---------------------|
| Cash                                              | \$ 2,785,948        |
| Accounts Receivable                               | 22,539              |
| Grants Receivable                                 | 841,050             |
| Prepaid Expenses                                  | 8,019               |
| Capital Assets Being Depreciated (net)            | 18,614              |
| Total Assets                                      | <u>\$ 3,676,170</u> |
| <br>                                              |                     |
| <b>LIABILITIES</b>                                |                     |
| Accounts Payable                                  | \$ 230,078          |
| Accrued Personnel Costs                           | 98,275              |
| Deferred Revenues                                 | 153,364             |
| Long Term Liabilities                             |                     |
| Due within one year                               | 22,291              |
| Due in more than one year                         | 137,218             |
| Total Liabilities                                 | <u>641,226</u>      |
| <br>                                              |                     |
| <b>NET ASSETS</b>                                 |                     |
| Investment in Capital Assets, net of related debt | 18,614              |
| Unrestricted                                      | 3,016,330           |
| Total Net Assets                                  | <u>\$ 3,034,944</u> |

See Accompanying Notes to the Basic Financial Statements

**Miami Valley Regional Planning Commission**

**Statement of Activities  
For the Year Ended June 30, 2011**

| <u>Governmental Activities</u> | <u>Expenses</u>     | <u>Program Revenues</u><br><u>Operating Grants</u> | <u>Net (Expenses) Revenues and Change in Net Assets</u><br><u>Governmental Activities</u> |
|--------------------------------|---------------------|----------------------------------------------------|-------------------------------------------------------------------------------------------|
| General Government             | \$ 97,476           | 17,542                                             | \$ (79,934)                                                                               |
| Transportation Planning        | 2,959,385           | 2,749,562                                          | (209,823)                                                                                 |
| Environmental Planning         | 190,988             | 190,981                                            | (7)                                                                                       |
| Regional Planning              | <u>811,344</u>      | <u>811,344</u>                                     | <u>-</u>                                                                                  |
| Total Governmental Activities  | <u>\$ 4,059,193</u> | <u>\$ 3,769,429</u>                                | <u>(289,764)</u>                                                                          |
|                                |                     |                                                    |                                                                                           |
| General Revenues:              |                     |                                                    |                                                                                           |
| Membership Dues                |                     |                                                    | 466,444                                                                                   |
| Miscellaneous                  |                     |                                                    | <u>602</u>                                                                                |
| Total General Revenues         |                     |                                                    | <u>467,046</u>                                                                            |
|                                |                     |                                                    |                                                                                           |
| Changes in Net Assets          |                     |                                                    | 177,282                                                                                   |
|                                |                     |                                                    |                                                                                           |
| Net Assets, July 1             |                     |                                                    | <u>2,857,662</u>                                                                          |
|                                |                     |                                                    |                                                                                           |
| Net Assets, June 30            |                     |                                                    | <u>\$ 3,034,944</u>                                                                       |

See Accompanying Notes to the Basic Financial Statements

**Miami Valley Regional Planning Commission**

**Governmental Funds Balance Sheet  
As of June 30, 2011**

|                                                     | <u>General<br/>Fund</u> | <u>Special<br/>Revenue<br/>Fund</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|-----------------------------------------------------|-------------------------|-------------------------------------|-----------------------------------------|
| <b>ASSETS AND OTHER DEBITS</b>                      |                         |                                     |                                         |
| Cash                                                | \$ 2,775,605            | \$ 10,343                           | \$ 2,785,948                            |
| Accounts Receivable                                 | 22,539                  | -                                   | 22,539                                  |
| Grants Receivable                                   | -                       | 841,050                             | 841,050                                 |
| Due From Special Revenue Fund                       | 841,050                 | -                                   | 841,050                                 |
| Prepaid Expenses                                    | 8,019                   | -                                   | 8,019                                   |
| Total Assets and Other Debits                       | <u>\$ 3,647,213</u>     | <u>\$ 851,393</u>                   | <u>\$ 4,498,606</u>                     |
| <br>                                                |                         |                                     |                                         |
| <b>LIABILITIES</b>                                  |                         |                                     |                                         |
| Accounts Payable                                    | \$ 230,078              | \$ -                                | \$ 230,078                              |
| Accrued Wages & Benefits                            | 98,275                  | -                                   | 98,275                                  |
| Due to General Fund                                 | -                       | 841,050                             | 841,050                                 |
| Unearned Revenues                                   | 143,021                 | 10,343                              | 153,364                                 |
| Total Liabilities                                   | <u>471,374</u>          | <u>851,393</u>                      | <u>1,322,767</u>                        |
| <br>                                                |                         |                                     |                                         |
| <b>FUND BALANCE</b>                                 |                         |                                     |                                         |
| Non Spendable                                       | \$ 8,019                | \$ -                                | \$ 8,019                                |
| Assigned for Future Year's Operation - Members Dues | 233,222                 | -                                   | 233,222                                 |
| Unassigned                                          | 2,934,598               | -                                   | 2,934,598                               |
| Total Fund Balance                                  | <u>3,175,839</u>        | <u>-</u>                            | <u>3,175,839</u>                        |
| <br>                                                |                         |                                     |                                         |
| Total Liabilities and<br>Fund Balances              | <u>\$ 3,647,213</u>     | <u>\$ 851,393</u>                   | <u>\$ 4,498,606</u>                     |

See Accompanying Notes to the Basic Financial Statements



**Miami Valley Regional Planning Commission**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES

June 30, 2011

|                                                                                                                                          |                     |
|------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Total Governmental Fund Balances                                                                                                         | \$ 3,175,839        |
| <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>                                |                     |
| Capital Assets used in governmental activities (net)                                                                                     | 18,614              |
| <i>The following liabilities are not due and payable in the current period and therefore are not reported in the Governmental funds:</i> |                     |
| Compensated absences                                                                                                                     | (159,509)           |
| Net Assets of Governmental Activities                                                                                                    | <u>\$ 3,034,944</u> |

See Accompanying Notes to the Basic Financial Statements

**Miami Valley Regional Planning Commission**

**Governmental Funds Statement of Revenues, Expenditures and  
Changes in Fund Balances**

**For the Year Ended June 30, 2011**

|                                         | <u>General<br/>Fund</u> | <u>Special<br/>Revenue<br/>Fund</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|-----------------------------------------|-------------------------|-------------------------------------|-----------------------------------------|
| Revenues:                               |                         |                                     |                                         |
| Grantor Agency                          | \$ 166,580              | \$ 3,417,120                        | \$ 3,583,700                            |
| Other                                   | 11,152                  | 175,178                             | 186,330                                 |
| Membership Dues                         | <u>466,444</u>          | <u>-</u>                            | <u>466,444</u>                          |
| Total Revenues                          | <u>644,176</u>          | <u>3,592,298</u>                    | <u>4,236,474</u>                        |
| Expenditures:                           |                         |                                     |                                         |
| Personnel                               | 1,392,977               | 1,403,492                           | 2,796,469                               |
| Contractual                             | 104,107                 | 1,027,894                           | 1,132,001                               |
| Other                                   | 269,182                 | 599,091                             | 868,273                                 |
| Indirect Costs                          | 55,641                  | 772,671                             | 828,312                                 |
| Capital Outlays                         | <u>2,880</u>            | <u>-</u>                            | <u>2,880</u>                            |
| Total Expenditures                      | <u>1,824,787</u>        | <u>3,803,148</u>                    | <u>5,627,935</u>                        |
| Excess of Expenditures<br>Over Revenues | <u>(1,180,611)</u>      | <u>(210,850)</u>                    | <u>(1,391,461)</u>                      |
| Other Financing Sources (Uses):         |                         |                                     |                                         |
| Transfers-In                            | -                       | 210,850                             | 210,850                                 |
| Transfers-Out                           | (210,850)               | -                                   | (210,850)                               |
| Cost Allocation Plan Recoveries         | <u>1,619,510</u>        | <u>-</u>                            | <u>1,619,510</u>                        |
| Total Other Financing Sources           | <u>1,408,660</u>        | <u>210,850</u>                      | <u>1,619,510</u>                        |
| Change in Fund Balances                 | 228,049                 | -                                   | 228,049                                 |
| Fund Balance, July 1                    | <u>2,947,790</u>        | <u>-</u>                            | <u>2,947,790</u>                        |
| Fund Balance, June 30                   | <u>\$ 3,175,839</u>     | <u>\$ -</u>                         | <u>\$ 3,175,839</u>                     |

See Accompanying Notes to the Basic Financial Statements

**Miami Valley Regional Planning Commission**

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund  
Balance of Governmental Funds to the Statement of Activities

For the Year Ended June 30, 2011

Net Change in fund balances - total governmental funds \$ 228,049

*Amounts reported for governmental activities in the  
statement of activities are different because:*

Government funds report capital outlays as expenditures.  
However, in the statement of activities, the cost of  
those assets are allocated over their estimated useful  
lives as depreciation expense. This is the amount by  
which depreciation and disposal exceed capital outlays  
expense in the current period. (29,658)

Some expenses reported in the statement of activities  
do not require the use of current financial resources and  
therefore are not reported as expenditures in  
governmental funds.

Compensated Absences (23,287)  
Capital lease payable 2,178

Changes in net assets of total governmental activities \$ 177,282

See Accompanying Notes to the Basic Financial Statements

## Miami Valley Regional Planning Commission

Notes to the Basic Financial Statements  
June 30, 2011

### **NOTE 1 ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

#### Organization

The Miami Valley Regional Planning Commission (MVRPC) was created in 1964 by authority granted under the Ohio Revised Code. MVRPC is a regional planning agency composed of representatives from political subdivisions, other governmental agencies, and non-governmental entities in Montgomery, Greene, Miami, Darke, and Preble Counties in Ohio. MVRPC monitors and performs planning activities affecting present and future transportation, environmental, social, economic, physical and governmental characteristics of the region.

By an agreement between MVRPC and the State of Ohio, MVRPC is designated by the State as a Metropolitan Planning Organization, with responsibility for implementing a coordinated, continuing, comprehensive transportation planning process for Greene, Miami, and Montgomery Counties and parts of northern Warren County.

On June 27, 1984, MVRPC adopted a strategic plan that prescribed the future direction the MVRPC would pursue, functionally and organizationally. On October 24, 1984, amendments to the Constitution and Bylaws were approved that allowed many of the strategic plan's recommendations to be implemented. The primary changes included a new mission statement, expansion of the MVRPC to include up to 25% non-governmental members, and the creation of a Board of Directors.

From September 2002 through February, 2004, MVRPC conducted a multi-phase Visioning and Strategic Planning Process with the goal of creating a more streamlined, efficient and responsive organization. On September 24, 2003, the new MVRPC Strategic Plan was adopted. Work then began on developing a structure more conducive to implementing the goals of the Strategic Plan. This effort resulted in the creation and adoption of a substantially revised Constitution and Bylaws on February 25, 2004, with implementation to begin on March 24, 2004. Key changes include:

#### Board of Directors

- The MVRPC and the Transportation Committee are merged into a newly created Board of Directors. County Engineers within the MPO Boundary now are Board members.
- All policy responsibility is vested with the merged body.
- The current weighted voting structure of the Transportation Committee is retained.
- Weighted voting can only be used by the Board of Directors.
- It cannot occur at the initial meeting when the request is made unless  $\frac{3}{4}$  of the members present approve.
- Otherwise, it will occur at the next scheduled meeting.
- Only MPO members located within the MPO Boundary (Greene, Miami, Montgomery counties and part of northern Warren county) can vote on transportation issues.
- ODOT representatives and urban transit operators may be members of the Board and vote on transportation issues.
- Each county's assessment is calculated based on 25% of the total county population; all other governmental members continue to pay a per capita assessment.
- Bylaws can be amended by a majority vote and the process for amending bylaws can be changed by a 2/3 majority vote. (Neither can be subject to weighted voting.)

#### Executive Committee

- The previous Board of Directors is now called the Executive Committee.
- The Executive Committee is responsible for handling "routine and emergency" matters.
- Counties (the Commissioners) appoint 5 members, one from each member county.
- Cities and villages appoint 7 members, one of which is the largest city; one member is chosen from each of the MPO counties; and no more than 4 members may be chosen from any one county. These members are chosen annually by caucus of member cities and villages.
- Townships appoint 3 members from counties located within the MPO boundary. No more than one member from the same county may be chosen. These members are selected annually by caucus of member townships.
- Non-governmental members appoint 3 members, also chosen annually by caucus.

## Miami Valley Regional Planning Commission

Notes to the Basic Financial Statements  
June 30, 2011

### **NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of MVRPC have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. MVRPC also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its government-wide provided they do not conflict with or contradict GASB pronouncements. The more significant of MVRPC accounting policies are described below.

#### Basis of Presentation

MVRPC basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

#### Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about MVRPC as a whole. These statements include the financial activities of the primary government. The statement of net assets presents the financial condition of the governmental activities of MVRPC at year-end. The government-wide statement of activities presents a comparison between direct expenses and program revenues for each program or function of MVRPC governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of MVRPC, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of MVRPC.

#### Fund Financial Statements

During the year, MVRPC segregated transactions related to certain organizational functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of MVRPC at this more detailed level. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

#### Fund Accounting

MVRPC uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain organizational functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of MVRPC are grouped into the governmental category.

#### Change in Accounting Principle

For fiscal year 2011, MVRPC has implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", and GASB Statement No. 59, "Financial Instruments Omnibus".

GASB Statement No. 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. GASB Statement No. 54 also clarifies the definitions of governmental fund types.

GASB Statement No. 59 updates and improves guidance for financial reporting and disclosure requirements of certain financial instruments and external investment pools. The implementation of GASB Statement No. 59 did not have an effect on the financial statements of MVRPC.

#### Governmental Funds

Governmental funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The General Fund and the Special Revenue Grant Fund are the only major funds of MVRPC:

## Miami Valley Regional Planning Commission

Notes to the Basic Financial Statements  
June 30, 2011

### NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-(Continued)

General Fund – The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The general fund contains some small non-federal grants and other funding sources that are available to MVRPC for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Grant Fund – The Special Revenue Grant Fund is used to account for grant and federal contract revenue that is legally restricted to expenditures for specified purposes.

MVRPC has no other funds within the Organization.

#### Measurement Focus

##### Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of MVRPC are included on the Statement of Net Assets.

##### Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

#### Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For MVRPC, available means expected to be received within ninety days of fiscal year end.

Nonexchange transactions, in which MVRPC receives value without directly giving equal value in return, include grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which MVRPC must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to MVRPC on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: grants, and investment earnings. Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue. On the accrual basis of accounting, expenses are recognized at the time they are incurred.

**Miami Valley Regional Planning Commission**

Notes to the Basic Financial Statements  
June 30, 2011

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-(Continued)**

Revenues

General fund revenues are determined by contractual agreements with member political subdivisions represented by MVRPC. Member jurisdictions of MVRPC pay an annual membership fee based on the latest official census or federal revenue sharing population estimates. The annual assessment was as follows:

Member Type

|                                      |                 |
|--------------------------------------|-----------------|
| Within the MPO planning area         |                 |
| - Counties - 25% of Total population | \$ 0.46/capita  |
| - Municipalities and Townships       | \$ 0.46/capita  |
| Outside the MPO planning area        |                 |
| - Counties – 25% of Total population | \$ 0.25/capita  |
| - Municipalities and Townships       | \$ 0.25/capita  |
| Quasi and Non-governmental bodies    | \$ 1,000/annual |

The total revenue generated from member fees was \$466,444.

Grant Fund

Grant revenue is recognized when compliance with the various grant requirements is achieved. Generally this occurs at the time expenditures are made and the grant matching requirements are met. Grant revenues received before the revenue recognition criteria have been met are reported as deferred revenues, a liability account. When the revenue recognition criteria have been met, grant revenues not yet received are reported as grants receivable, if the amounts have been billed to grantor agencies, or as earned not billed, if amounts are unbilled.

Carry-over Grants and Contracts

Several grants continued after June 30, 2011. The amounts available for completing grant objectives for these grant programs are summarized below by funding type. MVRPC's required match for these carry over funds is approximately \$103,951.

| <u>Type</u>                | <u>Amount</u> |
|----------------------------|---------------|
| Federal Grants             | \$ 1,775,532  |
| Other Grants and Contracts | 93,711        |

As discussed in note 4, fringe benefit expenditures are recovered by applying a provisional rate to all programs.

Indirect Costs

MVRPC uses an indirect cost rate to recover administrative expenditures. The FY2011 indirect costs were billed at a provisional, of 54.2% of direct labor dollars, including fringe benefits. Also, see note 4.

Nonspendable Fund Balance

This designation represents amounts that are not in spendable form and are not expected to be converted to cash such as inventory, prepaids, and long-term loans and notes receivable.

Assigned Fund Balance

The amount designated for Future Year's Operation represents 50% of the current membership dues. This amount is designated because membership period is based upon the calendar year and 100% of the dues revenue is recognized during the current fiscal year.

Budgets

Budgets for the general and special revenue fund are prepared annually on a modified accrual method by the staff and approved by the MVRPC. Budgets are reviewed on an ongoing basis and amendments are proposed as necessary. The amendments are approved by the Executive Committee.

**Miami Valley Regional Planning Commission**

Notes to the Basic Financial Statements  
June 30, 2011

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-(Continued)**

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 amounts 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 reporting period. Actual results could differ from those estimates.

**NOTE 3 LEASE COMMITMENTS**

MVRPC entered into a noncancellable operating lease agreement for office space effective April 1, 2004 through December 31, 2014 and two office equipment leases. One office equipment lease will expire by 2012 but MVRPC expects to renegotiate a new lease at a similar amount. Current office lease will expire in 2014 but MVRPC expects to renegotiate a new office space lease. The future minimum lease commitments as of June 30, 2011 are as follows:

| <u>Fiscal Year Ended</u> | <u>Office Space</u> | <u>Equipment</u> |
|--------------------------|---------------------|------------------|
| 2012                     | \$138,871           | \$4,714          |
| 2013                     | 144,034             | 2,232            |
| 2014                     | 144,034             | 2,232            |
| 2015                     | 72,017              | 2,232            |

Total rental expense for the year ended June 30, 2011, was \$142,198.

**NOTE 4 COST ALLOCATION PLAN**

A cost allocation plan is prepared annually by MVRPC. The plan, which includes fringe benefit and indirect costs, is used for the purpose of determining allocation rates and is prepared in accordance with the provisions of Office of Management and Budget (OMB) Circular A-87 and the U.S. Department of Health and Human Services' Circular OASC-10. The plan is submitted to the over-site grantor agency, the Federal Highway Administration through the Ohio Department of Transportation, for approval and authorization of negotiated allocation rates, which are used for billing purposes during the fiscal year. The Ohio Department of Transportation has agreed to let MVRPC adjust its provisional rates to the actual experienced rates prior to final billing. These adjusted provisional rates are subject to audit at the end of each fiscal year, when actual rates are determined and submitted to the over-site agency for approval. If the actual rates are less than the adjusted provisional rates, MVRPC must refund any over-billed amounts to the various grantor agencies. Conversely, MVRPC may recover under-billed amounts when unapplied funds remain from the various grantor agencies. Adjustments as a result of a change in the rates are recognized for financial reporting purposes when determined.

Following are summaries of the accounting treatment and rate experience for fringe benefit and indirect cost for FY2011.

Fringe Benefits

Fringe benefit costs are recorded in the general fund and allocated to the special revenue funds in accordance with the approved cost allocation plan, based upon a provisional rate approved by the oversight grantor agency. The FY2011 fringe benefit costs were allocated at a provisional rate of 56.5% of productive direct and indirect labor dollars. The actual fringe benefit cost rate was 65.113%. Per the agreement with ODOT, the provisional rate was adjusted to actual and the adjustment is reflected in the financial statements.



## Miami Valley Regional Planning Commission

Notes to the Basic Financial Statements  
June 30, 2011

### **NOTE 4 COST ALLOCATION PLAN-(Continued)**

#### Indirect Costs

Administrative costs are recorded in the general fund as indirect costs and allocated to the special revenue funds in accordance with the approved cost allocation plan, based upon a provisional rate approved by the over-site grantor agency. The FY2011 indirect costs were allocated at a provisional rate of 54.2% of direct labor dollars, including fringe benefits. The actual indirect cost rate was 55.0535%. Per the agreement with ODOT, the provisional rate was adjusted to actual and the adjustment is reflected in the financial statements.

### **NOTE 5 CONTINGENCIES**

The use of direct federal grant funds and state administered federal grant funds is subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based upon prior experience, management believes that MVRPC will not incur significant losses, if any, on possible grant disallowance.

### **NOTE 6 INTERFUND ACTIVITY**

As of June 30, 2011 there was an Interfund Receivable of \$841,050 in the General Fund and an Interfund Payable of \$841,050 in the Special Revenue Fund. The due to represents amounts for grants receivable at June 30, 2011 from various Federal and State grants.

During the year ended June 30, 2011 the General Fund transferred \$210,850 to the Grant Fund to provide local matching funds associated with federal grant programs.

### **NOTE 7 CASH AND INVESTMENTS**

#### Pooled Cash

The MVRPC's cash balances are held in the Montgomery County Treasury. Cash is held in a demand deposit account that is insured or collateralized by Federal Depository Insurance and by collateral held by a qualified third party trustee.

### **NOTE 8 DEFINED BENEFIT PENSION PLANS**

All of the MVRPC's full-time employees participate in a cost sharing, multiple employer defined benefit pension plan.

#### **Ohio Public Employees Retirement System (the "OPERS")**

All employees of the MVRPC, participate in the Ohio Public Employees Retirement System (OPERS), a cost sharing, multiple employer defined benefit pension plan.

A. Ohio Public Employees Retirement System (OPERS) administers three separate pension plans as described below:

1. The Traditional Pension Plan -a cost sharing, multiple-employer defined benefit pension plan.
2. The Member-Directed Plan -a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.

## Miami Valley Regional Planning Commission

Notes to the Basic Financial Statements  
June 30, 2011

### **NOTE 8 DEFINED BENEFIT PENSION PLANS-(Continued)**

3. The Combined Plan -a cost sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

B. OPERS provides retirement, disability, survivor and death benefits and annual cost-of living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits.

C. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

D. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

E. The Ohio Revised Code provides statutory authority for member and employer contributions. For FY2011, member and employer contribution rates were consistent across all three plans. The FY2011 member contribution rates were 10.0% of covered payroll for members in state and local classifications. The FY2011 employer contribution rate for state and local employers was 14.00% of covered payroll.

F. The MVRPC's required contributions for the periods ended June 30, 2011, 2010, and 2009 were \$220,035, \$208,038, and \$202,780 respectively. In 2003, the MVRPC implemented a Fringe Benefit Pickup plan for the entire employee contribution for certain classes of employees. The MVRPC's contributions in FY2011 under this plan were \$13,644.

### **NOTE 9 OTHER POST-EMPLOYMENT BENEFITS**

#### Plan Description

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing OPERS, 277 East Town Street, Columbus OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

## Miami Valley Regional Planning Commission

Notes to the Basic Financial Statements  
June 30, 2011

### **NOTE 9 OTHER POST-EMPLOYMENT BENEFITS-(Continued)**

#### Funding Policy

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, state and local employers contributed at a rate of 14.00% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for state and local employer units. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 5.5% from January 1 through February 28, 2010 and 5.0% from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73% from January 1 through February 28, 2010, and 4.23% from March 1 through December 31, 2010. The OPERS Board of Trustees is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The MVRPC's contributions allocated to fund post-employment health care benefits for the years ended June 30, 2011, 2010, and 2009 were \$78,575, \$39,382, and \$50,774, respectively.

#### OPERS Retirement Board Implements its Health Care Preservation Plan

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning January 1, 2006, with a final rate increase January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

**Miami Valley Regional Planning Commission**

Notes to the Basic Financial Statements  
June 30, 2011

**NOTE 10 CAPITAL ASSETS**

|                                        | <u>Balances at<br/>6/30/2010</u> | <u>Additions</u>  | <u>Deletions</u> | <u>Balances at<br/>6/30/2011</u> |
|----------------------------------------|----------------------------------|-------------------|------------------|----------------------------------|
| <b><u>Capital Assets</u></b>           |                                  |                   |                  |                                  |
| Furniture and Fixtures                 | \$69,153                         | -                 | -                | \$69,153                         |
| Equipment                              | 286,600                          | \$2,880           | -                | 289,480                          |
| Leasehold Improvements                 | 68,556                           | -                 | -                | 68,556                           |
| <b>Total Capital Assets</b>            | <u>424,309</u>                   | <u>2,880</u>      | <u>-</u>         | <u>427,189</u>                   |
| <b><u>Accumulated Depreciation</u></b> |                                  |                   |                  |                                  |
| Furniture and Fixtures                 | \$61,469                         | \$ 7,684          | -                | \$69,153                         |
| Equipment                              | 252,868                          | 17,998            | -                | 270,866                          |
| Leasehold Improvements                 | 61,700                           | 6,856             | -                | 68,556                           |
| <b>Total Accumulated Depreciation</b>  | <u>376,037</u>                   | <u>32,538</u>     | <u>-</u>         | <u>408,575</u>                   |
| <b>Total Capital Assets, net</b>       | <u>\$48,272</u>                  | <u>\$(29,658)</u> | <u>-</u>         | <u>\$18,614</u>                  |

**NOTE 11 LONG TERM OBLIGATIONS**

The following is a summary of long-term obligations for the year ended June 30, 2011

|                                    | <u>Outstanding<br/>06/30/2010</u> | <u>Increases</u> | <u>Decreases</u> | <u>Outstanding<br/>06/30/2011</u> | <u>Amount Due<br/>Within One Year</u> |
|------------------------------------|-----------------------------------|------------------|------------------|-----------------------------------|---------------------------------------|
| Compensated absences               | \$136,222                         | \$215,967        | \$192,680        | \$159,509                         | \$ 22,291                             |
| Capital Lease                      | 2,178                             | -                | 2,178            | -                                 | -                                     |
| <b>Total Long Term Obligations</b> | <u>\$138,400</u>                  | <u>\$215,967</u> | <u>\$194,858</u> | <u>\$159,509</u>                  | <u>\$22,291</u>                       |

Obligations will be paid from the fund from which the employees' salaries are paid.

**Miami Valley Regional Planning Commission**

Notes to the Basic Financial Statements  
June 30, 2011

**NOTE 12 PROPERTY AND INSURANCE**

The MVRPC is exposed to various risk of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2011, the MVRPC contracted with The Hartford Insurance Company and National Union Fire Insurance Company for the following insurance coverage:

|                                       |            |
|---------------------------------------|------------|
| Business personal property            | \$ 913,900 |
| Computer equipment                    | 200,000    |
| Comprehensive general liability       | 4,000,000  |
| Valuable papers                       | 200,000    |
| Business auto coverage                | 2,000,000  |
| Public officials & employee liability | 1,000,000  |

Settled claims have not exceeded this commercial coverage in any of the past three years, and there has been no significant reduction in coverage from the past fiscal year.

**NOTE 13 CHANGE IN ACCOUNTING PRINCIPLE**

MVRPC implemented Governmental Accounting Standards Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." The implementation of this standard had no effect on fund balance but changed the classification of fund balances.

**Miami Valley Regional Planning Commission**

**Governmental Funds Statement of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual - General Fund**

**For the Year Ended June 30, 2011**

|                                         | Original<br>Budget | Final<br>Budget | Actual       | Variance<br>Positive<br>(Negative) |
|-----------------------------------------|--------------------|-----------------|--------------|------------------------------------|
| Revenues:                               |                    |                 |              |                                    |
| Grantor Agency                          | \$ 213,025         | \$ 179,303      | \$ 166,580   | (\$ 12,723)                        |
| Other                                   | 65,464             | 66,287          | 11,152       | (55,135)                           |
| Membership Dues                         | 465,444            | 466,444         | 466,444      | -                                  |
| Total Revenues                          | 743,933            | 712,034         | 644,176      | (67,858)                           |
| Expenditures:                           |                    |                 |              |                                    |
| Personnel                               | 1,164,433          | 1,133,402       | 1,392,977    | (259,575)                          |
| Contractual                             | 261,147            | 263,337         | 104,107      | 159,230                            |
| Other                                   | 419,649            | 401,935         | 269,182      | 132,753                            |
| Indirect Costs                          | 60,856             | 71,160          | 55,641       | 15,519                             |
| Capital Outlays                         | 45,000             | 45,000          | 2,880        | 42,120                             |
| Total Expenditures                      | 1,951,085          | 1,914,834       | 1,824,787    | 90,047                             |
| Excess of Expenditures Over<br>Revenues | (1,207,152)        | (1,202,800)     | (1,180,611)  | 22,189                             |
| Other Financing Sources (Uses):         |                    |                 |              |                                    |
| Transfers-Out                           | (259,076)          | (220,734)       | (210,850)    | 9,884                              |
| Cost Allocation Plan Recoveries         | 1,466,228          | 1,423,534       | 1,619,510    | 195,976                            |
| Total Other Financing Sources           | 1,207,152          | 1,202,800       | 1,408,660    | 205,860                            |
| Change in Fund Balances                 | -                  | -               | 228,049      | 228,049                            |
| Fund Balance, July 1                    | 2,947,790          | 2,947,790       | 2,947,790    | -                                  |
| Fund Balance, June 30                   | \$ 2,947,790       | \$ 2,947,790    | \$ 3,175,839 | \$ 228,049                         |

**Miami Valley Regional Planning Commission**

**Governmental Funds Statement of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual - Special Revenue Fund**

**For the Year Ended June 30, 2011**

|                                         | Original<br>Budget | Final<br>Budget  | Actual           | Variance<br>Positive<br>(Negative) |
|-----------------------------------------|--------------------|------------------|------------------|------------------------------------|
| Revenues:                               |                    |                  |                  |                                    |
| Grantor Agency                          | \$ 4,104,517       | \$ 3,680,307     | \$ 3,417,120     | (\$ 263,187)                       |
| Other                                   | 186,973            | 183,066          | 175,178          | (7,888)                            |
| Total Revenues                          | <u>4,291,490</u>   | <u>3,863,373</u> | <u>3,592,298</u> | <u>(271,075)</u>                   |
| Expenditures:                           |                    |                  |                  |                                    |
| Personnel                               | 1,556,300          | 1,392,663        | 1,403,492        | (10,829)                           |
| Contractual                             | 1,518,896          | 1,167,696        | 1,027,894        | 139,802                            |
| Other                                   | 631,857            | 688,148          | 599,091          | 89,057                             |
| Indirect Costs                          | 843,513            | 835,600          | 772,671          | 62,929                             |
| Total Expenditures                      | <u>4,550,566</u>   | <u>4,084,107</u> | <u>3,803,148</u> | <u>280,959</u>                     |
| Excess of Expenditures Over<br>Revenues | <u>(259,076)</u>   | <u>(220,734)</u> | <u>(210,850)</u> | <u>9,884</u>                       |
| Other Financing Sources (Uses):         |                    |                  |                  |                                    |
| Transfers-In                            | 259,076            | 220,734          | 210,850          | (9,884)                            |
| Total Other Financing Sources           | <u>259,076</u>     | <u>220,734</u>   | <u>210,850</u>   | <u>(9,884)</u>                     |
| Change in Fund Balances                 | -                  | -                | -                | -                                  |
| Fund Balance, July 1                    | <u>-</u>           | <u>-</u>         | <u>-</u>         | <u>-</u>                           |
| Fund Balance, June 30                   | <u>\$ -</u>        | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>                        |

**Miami Valley Regional Planning Commission**

**Schedule of General Capital Assets**

**June 30, 2011**

Capital Assets

|                                |                         |
|--------------------------------|-------------------------|
| Furniture and Fixtures         | \$ 69,153               |
| Equipment                      | 289,480                 |
| Leasehold Improvements         | <u>68,556</u>           |
| Total Capital Assets           | 427,189                 |
| Less: Accumulated Depreciation | <u>(408,575)</u>        |
| Total Capital Assets, net      | <u><u>\$ 18,614</u></u> |

Investment in Capital Assets

|                                         |                         |
|-----------------------------------------|-------------------------|
| General Fund                            | \$ 359,591              |
| Special Revenue Funds                   | <u>67,598</u>           |
| Total Investment in Capital Assets      | 427,189                 |
| Less: Accumulated Depreciation          | <u>(408,575)</u>        |
| Total Investment in Capital Assets, net | <u><u>\$ 18,614</u></u> |



**Miami Valley Regional Planning Commission**

**Schedule of Fringe Benefit Cost Pool Charges, Rate Base, Final  
Rate Computation and Current Year's Recovery Comparison**

**For the Year Ended June 30, 2011**

**Fringe Benefit Cost Pool Charges:**

|                                                  |                   |
|--------------------------------------------------|-------------------|
| Public Employees Retirement System Contributions | \$ 220,036        |
| Health Insurance Premiums                        | 246,206           |
| Life Insurance Premiums                          | 1,914             |
| Workers' Compensation Premiums                   | 17,619            |
| Unemployment Insurance                           | 2,834             |
| F.I.C.A. (Medicare) Expenses                     | 20,869            |
| Sick Leave Pay                                   | 67,025            |
| Holiday Pay                                      | 61,223            |
| Vacation, Personal and Other Leave               | 128,975           |
| Employee parking                                 | 24,497            |
| Total Fringe Benefit Cost Pool Charges           | <u>\$ 791,198</u> |

**Fringe Benefit Cost Rate Base:**

|          |                     |
|----------|---------------------|
| Salaries | <u>\$ 1,215,121</u> |
|----------|---------------------|

**Final Fringe Benefit Cost Rate Computation:**

|                                                 |                |
|-------------------------------------------------|----------------|
| Total Fringe Benefit Cost Pool Charges          | \$ 791,198     |
| Divided By: Total Fringe Benefit Cost Rate Base | 1,215,121      |
| Equals - Final Fringe Benefit Cost Rate         | <u>65.113%</u> |

**Current Year's Cost Recovery Comparison:**

|                                                            |                  |
|------------------------------------------------------------|------------------|
| Fringe Benefit Costs Recovered @ provisional rate of 56.5% | \$ 686,543       |
| Fringe Benefits Over Recovered using Provisional Rate      | <u>(104,655)</u> |
| Fringe Benefit Costs Recovered @ final rate of 65.113%     | 791,198          |
| Total Fringe Benefit Cost Pool Charges                     | 791,198          |
| Final Over (Under) Recovered Costs                         | <u>\$ -</u>      |

**Miami Valley Regional Planning Commission**

**Schedule of Indirect Cost Pool Charges, Rate Base, Final Rate  
Computation and Current Year's Recovery Comparison**

**For the Year Ended June 30, 2011**

**Indirect Cost Pool Charges:**

|                                     |                   |
|-------------------------------------|-------------------|
| Salaries                            | \$ 303,890        |
| Allocated Fringe Benefits (65.113%) | 197,871           |
| Contractual Services                | 96,575            |
| Communication and Supplies          | 22,696            |
| Rents and Rentals                   | 142,198           |
| Utilities                           | 20,263            |
| Travel                              | 365               |
| Maintenance and Repairs             | 12,690            |
| Other Costs                         | 3                 |
| Allowance for Depreciation          | 31,761            |
| Total Indirect Costs                | <u>\$ 828,312</u> |

**Indirect Cost Rate Base:**

|                                   |                     |
|-----------------------------------|---------------------|
| Direct Salaries                   | \$ 911,232          |
| Allocated Fringe Benefits 65.113% | 593,327             |
| Total Indirect Cost Rate Base     | <u>\$ 1,504,559</u> |

**Final Indirect Cost Rate Computation:**

|                                           |                |
|-------------------------------------------|----------------|
| Total Indirect Cost Pool Charges          | \$ 828,312     |
| Divided By: Total Indirect Cost Rate Base | \$ 1,504,559   |
| Equals - Final Indirect Cost Rate         | <u>55.053%</u> |

**Current Year's Cost Recovery Comparison:**

Indirect Cost Recovered @ Provisional Rates 56.5% / 54.2%

|                                            |                  |
|--------------------------------------------|------------------|
| Direct Salaries                            | \$ 911,232       |
| Direct FB @ provisional rate 56.5%         | 514,846          |
| Provision rate base                        | <u>1,426,078</u> |
| Recovery using Provision rate base         | <u>785,106</u>   |
| Over (Under) recovered @ provisional basis | <u>(43,206)</u>  |

Indirect Cost Recovered @ Provisional Rates 56.5%/ 54.2%

|                                            |                     |
|--------------------------------------------|---------------------|
| Direct Salaries                            | \$ 911,232          |
| Direct FB @ actual rate 65.113%            | 593,327             |
| Provision rate base                        | <u>\$ 1,504,559</u> |
| Recovery using actual rate base @ 55.0535% | <u>828,312</u>      |
| Over (Under) recovered @ actual basis      | <u>\$ -</u>         |

**Miami Valley Regional Planning Commission**  
**Schedule of Costs for Federal Highway Administration, Ohio Department of Transportation, Department of Labor and Ohio EPA by Work Element**  
**Year Ended June 30, 2011**

| Work Element | Project Description                         | Personnel  | Fringe Benefits | Contractual  | Other      | Indirect costs | Total        |
|--------------|---------------------------------------------|------------|-----------------|--------------|------------|----------------|--------------|
| 601          | Safety Study FY09                           | 2,247.15   | 1,463.18        |              | (322.84)   | 2,042.67       | 5,430.16     |
|              | Safety Study FY10                           | 10,688.75  | 6,959.73        |              | 322.84     | 9,716.11       | 27,687.43    |
|              | Transit & HS Trans FY10                     | 6,522.00   | 4,246.65        |              | (958.17)   | 5,928.52       | 15,739.00    |
|              | Air Qlty/Access Control FY11                | 9,577.36   | 6,236.08        |              | 6.12       | 8,705.85       | 24,525.41    |
|              | Transit & HS Trans FY11                     | 26,009.56  | 16,935.53       |              | 1,063.04   | 23,642.78      | 67,650.91    |
|              | Fed & St Legislation Regs                   | 5,121.76   | 3,334.92        |              |            | 4,655.70       | 13,112.38    |
|              | Urban Freight & Rail FY11                   |            |                 | 24,700.00    |            |                | 24,700.00    |
| 601 Total    |                                             | 60,166.58  | 39,176.09       | 24,700.00    | 110.99     | 54,691.63      | 178,845.29   |
| 602          | TIP Project Management FY10                 | 24,525.80  | 15,969.41       | 288.37       |            | 22,294.03      | 63,077.61    |
|              | TIP SFY 08-11 & Admendments                 | 87,472.65  | 56,955.80       | 292.20       |            | 79,512.92      | 224,233.57   |
|              | TIP Project Management FY11                 |            |                 | 288.35       |            |                | 288.35       |
| 602 Total    |                                             | 111,998.45 | 72,925.21       | 868.92       | -          | 101,806.95     | 287,599.53   |
| 605          | GIS Support                                 | 31,870.10  | 20,751.48       |              | (4,438.90) | 28,970.02      | 77,152.70    |
|              | Transportation Databases FY10               | 17,226.48  | 11,216.63       |              | (2,231.83) | 15,658.93      | 41,870.21    |
|              | Transportation Database FY11                | 56,075.42  | 36,512.22       |              | 7,679.66   | 50,972.74      | 151,240.04   |
|              | GIS Support FY11                            | 86,397.08  | 56,255.47       |              | 5,401.79   | 78,535.22      | 226,589.56   |
| 605 Total    |                                             | 191,569.08 | 124,735.80      | -            | 6,410.72   | 174,136.91     | 496,852.51   |
| 610          | Land Use - STP 2009                         |            |                 |              | 3,925.00   |                | 3,925.00     |
|              | Landuse - STP FY10                          |            |                 |              | 4,099.77   |                | 4,099.77     |
|              | LRP Suppl Research FY10                     | 62,595.20  | 40,757.42       |              | 3,257.45   | 56,899.23      | 163,509.30   |
|              | LRP Update FY10                             | 34,708.24  | 22,599.47       |              | (5,103.61) | 31,549.90      | 83,754.00    |
|              | LRP Update FY11                             | 80,687.92  | 52,538.08       |              | 7,031.30   | 73,345.58      | 213,602.88   |
|              | LRP Suppl. Research FY11                    | 76,468.40  | 49,790.64       | 6,687.25     | 31,235.23  | 69,510.02      | 233,691.54   |
| 610 Total    |                                             | 254,459.76 | 165,685.61      | 6,687.25     | 44,445.14  | 231,304.73     | 702,582.49   |
| 625          | Public Service                              | 3,383.04   | 2,202.79        |              | (498.02)   | 3,075.19       | 8,163.00     |
|              | Public Involv. & MR FY11                    | 30,620.70  | 19,937.96       | 992.82       | 14,318.86  | 27,834.31      | 93,704.65    |
|              | Public Service FY11                         | 4,039.90   | 2,630.49        |              | 544.86     | 3,672.28       | 10,887.53    |
| 625 Total    |                                             | 38,043.64  | 24,771.24       | 992.82       | 14,365.70  | 34,581.78      | 112,755.18   |
| 665.11       | Senior Trans Serv Mot Co FY11               | 4,788.48   | 3,117.91        | 5,973.00     | 88.30      |                | 13,967.69    |
| 665.12       | Senior Trans Serv GDRTA                     |            |                 |              | 1,987.40   | 8,452.41       | 10,439.81    |
| 665.14       | Senior Trans Svc - GDAHA FY08               |            |                 | 1,260.50     |            |                | 1,260.50     |
| 665 Total    |                                             | 4,788.48   | 3,117.91        | 7,233.50     | 2,075.70   | 8,452.41       | 25,668.00    |
| 667.1        | Rideshare                                   |            |                 |              | 255.00     |                | 255.00       |
|              | Rideshare FY10                              | 10,616.62  | 6,912.77        | 11,445.00    | 46,455.58  | 9,650.54       | 85,080.51    |
|              | Vanpool Admin.                              |            |                 | 50,880.81    | 55.00      |                | 50,935.81    |
|              | Vanpool Admin. - FY08                       |            |                 | 20,100.75    |            |                | 20,100.75    |
|              | WPAFB Project Support                       |            |                 |              | 2,034.06   |                | 2,034.06     |
|              | Rideshare FY11                              | 15,427.22  | 10,045.08       |              | 97,998.35  | 14,023.39      | 137,494.04   |
|              | Rideshare - FY08                            |            |                 | 13,343.62    | 141,898.29 |                | 155,241.91   |
|              | Van Pool - FY2011                           |            |                 | 5,282.00     |            |                | 5,282.00     |
| 667.2        | AQ Awareness Prog FY10                      | 16,314.50  | 10,622.81       | 3,343.63     | 95,944.27  | 14,829.93      | 141,055.14   |
|              | Enhanced AQ Forecasting                     |            |                 | 34,000.00    |            |                | 34,000.00    |
|              | AQ Awareness Prog FY11                      | 8,754.30   | 5,700.16        | 12,500.00    | 140,579.66 | 7,957.69       | 175,491.81   |
| 667.3        | Alternative Trans. FY10                     | 5,323.60   | 3,466.34        |              | (9,925.06) | 4,839.17       | 3,704.05     |
|              | Reg. Cooperative Effort FY10                | 15,573.24  | 10,140.16       |              | (1,999.53) | 14,156.13      | 37,870.00    |
|              | Alternative Trans. FY11                     | 28,419.30  | 18,504.57       | 9,625.00     | 17,744.08  | 25,833.23      | 100,126.18   |
|              | Reg. Cooperative Effort FY11                | 18,385.22  | 11,971.11       |              | 2,380.03   | 16,712.22      | 49,448.58    |
| 667 Total    |                                             | 118,814.00 | 77,363.00       | 160,520.81   | 533,419.73 | 108,002.30     | 998,119.84   |
| 674.12       | Public Transit Admin - FTA                  | 20,714.50  | 13,487.77       |              | 25.50      | 18,829.55      | 53,057.32    |
| 695          | Transportation Prog Admin FY11              | 30,157.23  | 19,636.19       |              | 435.89     | 27,413.02      | 77,642.33    |
| 901          | Pathways Out Of Poverty - ARRA (NARC / DOL) | 20,233.28  | 13,174.43       | 757,165.54   | 884.16     | 18,392.11      | 809,849.52   |
| 920          | MOT Ortho Photo                             | 583.80     | 380.13          |              |            | 530.68         | 1,494.61     |
| OEPA         | Ohio WQ FPA                                 | 26,060.78  | 16,968.87       | 225.00       | 4,957.51   | 23,689.33      | 71,901.49    |
|              | WQ 604 (b) Activities                       | 3,863.82   | 2,515.84        |              | 158.61     | 3,512.23       | 10,050.50    |
|              | WQ FPA 604 (b) - ARRA                       |            |                 | 77,828.00    |            |                | 77,828.00    |
| OEPA Total   |                                             | 29,924.60  | 19,484.71       | 78,053.00    | 5,116.12   | 27,201.56      | 159,779.99   |
| Grand Totals |                                             | 881,453.40 | 573,938.09      | 1,036,221.84 | 607,289.65 | 805,343.63     | 3,904,246.61 |

**Miami Valley Regional Planning Commission**

**Officers and Executive Committee  
as of June 30, 2011**

**MVRPC Officers:**

| <u>Name</u>                               | <u>Organization</u> | <u>Title</u>   |
|-------------------------------------------|---------------------|----------------|
| <b>John Faulkner, First Vice-Chair</b>    | Xenia Twp.          | Fiscal Officer |
| <b>Michael Beamish, Second Vice-Chair</b> | Troy                | Mayor          |
| <b>Jan Vargo, Second Vice-Chair</b>       | Huber Heights       | Council Member |

**Executive Committee Members:**

| <u>Name</u>                  | <u>Organization</u>         | <u>Title</u>           |
|------------------------------|-----------------------------|------------------------|
| <b>Mark Adams</b>            | PNC Bank                    | Asst. VP - Branch Mgr. |
| <b>Alan Anderson</b>         | Greene County               | Commissioner           |
| <b>John Beals</b>            | Centerville                 | Council Member         |
| <b>Diane Delaplane</b>       | Darke County                | Commissioner           |
| <b>Judy Dodge</b>            | Montgomery County           | Commissioner           |
| <b>Dolores Gillis</b>        | Tipp City                   | Council Member         |
| <b>Carol Graff</b>           | Beavercreek Twp.            | Trustee                |
| <b>Arthur Haddad</b>         | Troy Chamber of Commerce    | Chairman               |
| <b>Rap Hankins</b>           | Trotwood                    | Council Member         |
| <b>Jerome Hirt, Sr.</b>      | Bethel Twp.                 | Trustee                |
| <b>Phyllis Howard</b>        | Beavercreek                 | Council Member         |
| <b>Matt Joseph</b>           | Dayton                      | Commissioner           |
| <b>John O'Brien</b>          | Miami County                | Commissioner           |
| <b>Donald Patterson, Jr.</b> | Kettering                   | Mayor                  |
| <b>Gerald Peters</b>         | Perry Twp.                  | Trustee                |
| <b>Woodrow Stroud</b>        | Greene County Transit Board | Board Member           |
| <b>William Vogt</b>          | Piqua                       | City Commissioner      |
| <b>David Wesler</b>          | Preble County               | Commissioner           |

**Miami Valley Regional Planning Commission  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2011**

| Pass-Through Grantor/<br>Program Title                  | Grant Number or Description                          | Federal<br>CFDA<br>Number | Expenditures |
|---------------------------------------------------------|------------------------------------------------------|---------------------------|--------------|
| <b>U. S. Department of Labor</b>                        |                                                      |                           |              |
| Pass-through, National Association of Regional Councils |                                                      |                           |              |
| AARA-Worker Training                                    | Pathways out of Poverty Grant - ARRA                 | 17.275                    | \$ 809,850   |
| <b>U. S. Environmental Protection Agency</b>            |                                                      |                           |              |
| Pass-Through, Ohio Environmental Protection Agency      |                                                      |                           |              |
| ARRA - Water Quality Management Planning                | 604(b) American Recovery & Reinvestment Act          | 66.454                    | \$ 77,828    |
| Water Quality Management Planning                       | 604(b) Water Quality Planning Facility Planning Area | 66.454                    | 10,050       |
| Total Environmental Protection Agency                   |                                                      |                           | \$ 87,878    |
| <b>U. S. Department of Transportation</b>               |                                                      |                           |              |
| Pass-Through, Ohio Department of Transportation         |                                                      |                           |              |
| Highway Planning and Construction                       |                                                      |                           |              |
|                                                         | Consolidated Planning FY 2010                        | 20.205                    | \$ 367,075   |
|                                                         | Consolidated Planning FY 2011                        | 20.205                    | 1,034,340    |
|                                                         | Rideshare / Van Pool FY 2007                         | 20.205                    | 50,936       |
|                                                         | Rideshare FY 2008                                    | 20.205                    | 175,342      |
|                                                         | Rideshare FY 2009                                    | 20.205                    | 255          |
|                                                         | Rideshare FY 2010                                    | 20.205                    | 85,080       |
|                                                         | Rideshare FY 2011                                    | 20.205                    | 142,776      |
|                                                         | Alternative Trans & Air Qlt Aware FY 2010            | 20.205                    | 144,759      |
|                                                         | Alternative Trans & Air Qlt Aware FY 2011            | 20.205                    | 309,618      |
|                                                         | Supplemental Planning                                | 20.205                    | 152,053      |
|                                                         | Landuse Transp. Plans                                | 20.205                    | 4,100        |
| Total Highway Planning and Construction                 |                                                      |                           | \$ 2,466,334 |
| Public Transit Human Services Trans. Plan               | Job Access and Reverse Commute                       | 20.516                    | \$ 32,024    |
|                                                         | New Freedom                                          | 20.521                    | 21,034       |
| Total Public Transit Human Services Trans. Plan         |                                                      |                           | \$ 53,058    |
| Total Department of Transportation                      |                                                      |                           | \$ 2,519,392 |
| Total Expenditures of Federal Awards                    |                                                      |                           | \$ 3,417,120 |

Note: This Schedule of Expenditures of Federal Awards was prepared using the accrual basis method of accounting.

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***Charles E. Harris & Associates, Inc.***  
***Certified Public Accountants***

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INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS

Miami Valley Regional Planning Commission  
Montgomery County  
One South Main Street  
Dayton, Ohio 45402

To the Members of the Board of Directors:

We have audited the financial statements of the governmental activities and each major fund of the Miami Valley Regional Planning Commission, Montgomery County, Ohio (MVRPC) as of and for the year ended June 30, 2011, which collectively comprise the MVRPC's basic financial statements and have issued our report thereon dated December 2, 2011, wherein we noted MVRPC implemented Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". 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 Controls Over Financial Reporting

In planning and performing our audit, we considered the MVRPC's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the MVRPC's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the MVRPC's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the MVRPC's financial statements will not be prevented or detected and timely corrected.

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

### Compliance and Other Matters

As part of reasonably assuring whether the MVRPC's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of management, the audit committee, the Board of Directors, federal awarding agencies, pass-through entities and others within the MVRPC. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Charles E. Harris" followed by a stylized flourish.

*Charles E. Harris and Associates, Inc.*

December 2, 2011

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***Charles E. Harris & Associates, Inc.***  
*Certified Public Accountants*

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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Miami Valley Regional Planning Commission  
Montgomery County  
One South Main Street  
Dayton, Ohio 45402

To the Members of the Board of Directors:

**Compliance**

We have audited the Miami Valley Regional Planning Commission, Montgomery County, Ohio's (MVRPC) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the MVRPC's federal programs for the year ended June 30, 2011. The MVRPC's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the MVRPC's management. Our responsibility is to express an opinion on the MVRPC'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 the MVRPC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the MVRPC's compliance with those requirements.

In our opinion, the Miami Valley Regional Planning Commission complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.




## Internal Control Over Compliance

Management of the Miami Valley Regional Planning Commission is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the MVRPC's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the MVRPC's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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 over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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



**CHARLES E. HARRIS & ASSOCIATES, INC.**

December 2, 2011

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 SECTION .505**

**MIAMI VALLEY REGIONAL PLANNING COMMISSION  
MONTGOMERY COUNTY  
June 30, 2011**

**1. SUMMARY OF AUDITOR'S RESULTS**

|              |                                                                                                   |                                                                                |
|--------------|---------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| (d)(1)(i)    | <i>Type of Financial Statement Opinion</i>                                                        | Unqualified                                                                    |
| (d)(1)(ii)   | <i>Were there any material weaknesses reported at the financial statement level (GAGAS)?</i>      | No                                                                             |
| (d)(1)(ii)   | <i>Were there any significant deficiencies reported at the financial statement level/(GAGAS)?</i> | No                                                                             |
| (d)(1)(iii)  | <i>Was there any reported material non-compliance at the financial statement level (GAGAS)?</i>   | No                                                                             |
| (d)(1)(iv)   | <i>Were there any material weaknesses reported for major federal programs?</i>                    | No                                                                             |
| (d)(1)(iv)   | <i>Were there any significant deficiencies reported for major federal programs?</i>               | No                                                                             |
| (d)(1)(v)    | <i>Type of Major Programs' Compliance Opinion</i>                                                 | Unqualified                                                                    |
| (d)(1)(vi)   | <i>Are there any reportable findings under Section .510</i>                                       | No                                                                             |
| (d)(1)(vii)  | <i>Major Programs:</i>                                                                            | CFDA #20.205 Highway Planning and Construction<br>CFDA #17.275 Worker Training |
| (d)(1)(viii) | <i>Dollar Threshold: Type A/B Programs</i>                                                        | \$300,000                                                                      |
| (d)(1)(ix)   | <i>Low Risk Auditee?</i>                                                                          | Yes                                                                            |

**SCHEDULE OF FINDINGS - (continued)**  
**OMB CIRCULAR A-133 SECTION .505**

**MIAMI VALLEY REGIONAL PLANNING COMMISSION**  
**MONTGOMERY COUNTY**  
**June 30, 2011**

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

**3. FINDINGS FOR FEDERAL AWARDS**

None.

SCHEDULE OF PRIOR AUDIT FINDINGS

The prior audit report, for the year ended June 30, 2010, reported no material citations or recommendations.



# Dave Yost • Auditor of State

**MIAMI VALLEY REGIONAL PLANNING COMMISSION**

**MONTGOMERY 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  
MARCH 13, 2012**