



**Auditor of State
Betty Montgomery**

**LUC REGIONAL PLANNING COMMISSION
LOGAN COUNTY**

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Logan (LUC) Regional Planning Commission
Logan County
P.O. Box 219
East Liberty, Ohio 43319

To the Board of Commissioners:

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2004 on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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Betty Montgomery
Auditor of State

August 18, 2004

**LOGAN (LUC) REGIONAL PLANNING COMMISSION
LOGAN COUNTY**

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

Cash Receipts:

Fees Charged to Subdivisions	\$111,087
Contractual Services	9,490
Other Receipts	<u>4,525</u>
 Total Cash Receipts	 <u>125,102</u>

Cash Disbursements:

Salaries and Wages	76,014
Supplies	3,285
Equipment	3,403
Utilities	3,660
Travel	1,077
Professional Development	1,052
Public Employee's Retirement	10,151
Worker's Compensation	1,510
Medicare	1,064
Hospital / Life Insurance	11,218
Contingencies	143
Union County 50% Plat Reimbursement	1,293
Building Fund	5,147
Other	<u>2,189</u>
 Total Disbursements	 <u>121,206</u>

Total Receipts Over Disbursements	3,896
 Fund Cash Balance, January 1	 <u>33,029</u>
 Fund Cash Balance, December 31	 <u><u>\$36,925</u></u>

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

**LOGAN (LUC) REGIONAL PLANNING COMMISSION
LOGAN COUNTY**

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

Cash Receipts:	
Fees Charged to Subdivisions	\$121,644
Contractual Service	16,800
Other Receipts	<u>10,159</u>
Total Cash Receipts	<u>148,603</u>
 Cash Disbursements:	
Salaries and Wages	74,517
Supplies	2,558
Equipment	4,881
Utilities	3,298
Travel	1,160
Professional Development	1,999
Public Employee's Retirement	10,022
Worker's Compensation	498
Medicare	1,047
Hospital / Life Insurance	14,384
Contingencies	1,303
Union County 50% Plat Reimbursement	858
Building Fund	16,471
Development Projects	15,213
Other	<u>5,647</u>
Total Disbursements	<u>153,856</u>
Total Receipts (Under) Disbursements	(5,253)
Fund Cash Balance, January 1	<u>38,282</u>
Fund Cash Balance, December 31	<u><u>\$33,029</u></u>

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

**LOGAN (LUC) REGIONAL PLANNING COMMISSION
LOGAN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The LUC Regional Planning Commission, Logan County, (the "Commission") is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Commission operates under the direction of a 21 member executive committee comprised of representatives of Logan, Union, and Champaign Counties, the cooperating municipalities and citizen members appointed by the Board of County Commissioners of said Counties. On January 1, 2000, Logan County became the fiscal agent for the commission.

The Commission provides the following services:

1. Proves member subdivisions with technical assistance with grants and grant writing;
2. Proves member subdivisions with assistance on zoning codes and the updating and revision of the codes;
3. Assists with the division of real estate logs;
4. Maintains flood insurance maps on file and oversees flood hazard construction regulation; and
5. Maintains the County's census data on file.

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

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary requirements are not applicable to the Commission, but the Commission passes an operating budget annually.

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

C. Cash and Investments

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

The carrying amount of cash at December 31 was as follows:

	<u>2003</u>	<u>2002</u>
Demand Deposits	<u>\$36,925</u>	<u>\$33,029</u>

**LOGAN (LUC) REGIONAL PLANNING COMMISSION
LOGAN COUNTY**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting

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

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

E. Budgetary Process

The Commission budgets its fund annually.

1. Appropriations

The Board annually approves appropriations and subsequent amendments. Expenditures may not exceed appropriations at the fund level. Appropriations lapse at year end.

2. Estimated Resources

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

3. Encumbrances

The Commission does not require expenditures to be encumbered.

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

F. Property, Plant and Equipment

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

G. Unpaid Vacation and Sick Leave

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

**LOGAN (LUC) REGIONAL PLANNING COMMISSION
LOGAN COUNTY**

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

2. BUDGETARY ACTIVITY

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

2003 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$124,237	\$125,102	\$865

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$153,811	\$121,206	\$32,605

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$157,793	\$148,603	(\$9,190)

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$178,837	\$153,856	\$24,981

3. RETIREMENT SYSTEMS

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

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

4. RISK MANAGEMENT

The Commission has obtained commercial insurance for the following risks:

- Property and liability, and
- Director's Liability

The Commission's full-time employees are covered under a health insurance plan obtained through Logan County.

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**Auditor of State
Betty Montgomery**

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

Logan (LUC) Regional Planning Commission
Logan County
P.O. Box 219
East Liberty, Ohio 43319

To the Board of Commissioners:

We have audited the financial statements of the Logan (LUC) Regional Planning Commission, Logan County (the Commission), as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated August 18, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Commission in a separate letter dated August 18, 2004.

Internal Control Over Financial Reporting

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

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

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

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

Betty Montgomery
Auditor of State

August 18, 2004



**Auditor of State
Betty Montgomery**

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LOGAN (LUC) REGIONAL PLANNING COMMISSION

LOGAN 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
SEPTEMBER 9, 2004**