

**STARK COUNTY
REGIONAL PLANNING COMMISSION**

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 1999



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

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Executive Committee
Stark County Regional Planning Commission
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We have reviewed the Independent Auditor's Report of the Stark County Regional Planning Commission, prepared by Gary B. Fink & Associates, Inc., Certified Public Accountants, for the audit period January 1, 1999 through December 31, 1999. 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 Stark County Regional Planning Commission is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

June 28, 2000

**STARK REGIONAL PLANNING COMMISSION
FOR THE YEAR ENDED DECEMBER 31, 1999**

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INDEPENDENT AUDITOR'S REPORT

Executive Committee
Stark County Regional Planning Commission
201 3rd Street, NE, Suite 201
Canton, Ohio 44702-1231

We have audited the accompanying financial statements of the Stark County Regional Planning Commission, as of and for the year ended December 31, 1999, as listed in the table of contents. These financial statements are the responsibility of the Stark County 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 generally accepted auditing standards 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 Stark County Regional Planning Commission prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances and reserves for encumbrances of the Stark County Regional Planning Commission, as of December 31, 1999, and cash receipts and disbursements for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 1, 2000 on our consideration of the Stark County Regional Planning 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.

INDEPENDENT AUDITOR'S REPORT (continued)

The accompanying Schedule of Expenditures of Federal Awards 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 not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

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



GARY B. FINK & ASSOCIATES, INC.
Certified Public Accountants

May 1, 2000

FINANCIAL STATEMENTS

**Stark County Regional Planning Commission
Statement of Cash Receipts, Cash Disbursements and Changes
in Fund Cash Balance - Governmental Fund Type
For the Year Ended December 31, 1999**

	<u>General</u>
Cash Receipts:	
Taxes	\$4,415
Charges for Services	12,104
Licenses and Permits	14,995
Intergovernmental	1,193,214
Other Revenue	8,573
Non-Operating Receipts	<u>18,237</u>
Total Cash Receipts	<u>1,251,538</u>
Cash Disbursements:	
Personal Services:	
Salaries and Wages	830,351
Employee Benefits	295,238
Supplies and Materials	31,370
Purchased Services	179,292
Capital Outlay	36,649
Other Expenses	<u>18,046</u>
Total Cash Disbursements	<u>1,390,946</u>
Total Cash Receipts (Under) Cash Disbursements	<u>(139,408)</u>
Fund Cash Balance, January 1, 1999	<u>243,907</u>
Fund Cash Balance, December 31, 1999	<u>104,499</u>
Reserve for Encumbrances, December 31, 1999	<u>\$172,988</u>

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

**Stark County Regional Planning Commission
Statement of Cash Receipts, Cash Disbursements and Changes
in Fund Cash Balance - Fiduciary Fund Type
For the Year Ended December 31, 1999**

	<u>Agency</u>
Cash Receipts:	
Intergovernmental	<u>\$12,356</u>
Total Cash Receipts	<u>12,356</u>
Cash Disbursements:	
Purchased Services	12,356
Non-Operating Expense	<u>3,700</u>
Total Cash Disbursements	<u>16,056</u>
Total Cash Receipts Under Cash Disbursements	<u>(3,700)</u>
Fund Cash Balance, January 1, 1999	<u>3,700</u>
Fund Cash Balance, December 31, 1999	<u><u>0</u></u>
Reserve for Encumbrances, December 31, 1999	<u><u>\$0</u></u>

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

STARK COUNTY REGIONAL PLANNING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Description of the Entity

The Stark County Regional Planning Commission (the Commission) was established in January, 1957 under provisions of the Regional Planning Law, Section 713.21 of the Ohio Revised Code. The Commission is financed primarily by membership dues from participating county subdivisions and funds received through various federal and state grant programs. The principal aim of the Commission is to provide comprehensive planning, both long and short range, dealing with the economical and physical environment of Stark County

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 have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. The cash basis of accounting is permitted by the Auditor of State.

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

C. Fund Accounting

The Commission uses fund accounting to segregate cash and investments that are restricted as to use.

Governmental - The General Fund is the general operating fund of the Commission. It is used to account for all financial resources except those required by law or contract to be accounted for in another fund.

Fiduciary - The Agency Fund is custodial in nature and does not present results of operations or have a measurement focus. This fund is used to account for assets that the government holds for others in an agency capacity.

D. Budgetary Process

The Stark County Regional Planning Commission is not a taxing subdivision and is not required by Ohio Revised Code to follow budgetary procedures.

STARK COUNTY REGIONAL PLANNING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

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

E. Property, Plant and Equipment

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

F. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Commission.

2. **POOLED CASH AND INVESTMENTS WITH FISCAL AGENT**

The Commission's cash and investments are held by the Stark County Auditor who maintains a cash and investment pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of the Commission's cash and investments at December 31, 1999 was \$104,499.

Deposits:

Deposits are either (1) insured by the Federal Depository Insurance Corporation, (2) collateralized by securities held by Stark County or (3) collateralized by securities pledged by a qualified third party trustee in the name of the County.

3. **RETIREMENT SYSTEMS**

Full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. The PERS is a cost-sharing, multiple-employer defined benefit pension plan. This plan provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. The PERS issues a publicly available, stand-alone financial report. Interested parties may obtain a copy by making a written request to: 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 614-466-2085 or 1-800-222-7377.

STARK COUNTY REGIONAL PLANNING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

3. **RETIREMENT SYSTEMS** (continued)

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rates are 8.5% for employees. The Commission picks up 4.25% of the employees contribution. The 1999 employer contribution rate for the Commission was 13.55% of covered payroll. Required employer contributions are equal to 100% of the dollar amount billed to each employer and must be extracted from the employer's records. The contribution for the Commission for the year ended December 31, 1999 was \$144,072, which consisted of \$109,673 as the employer's share and an additional \$34,399 as a payroll pickup for the portion of the employees share. The Commission has paid all contributions required through December 31, 1999.

4. **RISK MANAGEMENT**

The Commission is exposed to various risks of loss related to torts; theft; damage to or destruction of assets, errors and omissions; employee injuries; and natural disasters. By maintaining comprehensive insurance coverage with private carriers, the Commission has addressed these various types of risk.

5. **CONTINGENT LIABILITIES**

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

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

Executive Committee
Stark County Regional Planning Commission
201 3rd Street, NE, Suite 201
Canton, Ohio 44702-1231

We have audited the financial statements of the Stark County Regional Planning Commission, as of and for the year ended December 31, 1999, and have issued our report thereon dated May 1, 2000. We conducted our audit in accordance with generally accepted auditing standards 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 Stark County Regional Planning Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Stark County Regional Planning 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 operations that we consider to be material weaknesses.

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (continued)

This report is intended for the information and use of management, the Executive Committee and 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.



GARY B. FINK & ASSOCIATES, INC.
Certified Public Accountants

May 1, 2000

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH *OMB CIRCULAR A-133***

Executive Committee
Stark County Regional Planning Commission
201 3rd Street, NE, Suite 201
Canton, Ohio 44702-1231

Compliance

We have audited the compliance of the Stark County Regional Planning Commission with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 1999. The Stark County Regional Planning Commission's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Stark County Regional Planning Commission's management. Our responsibility is to express an opinion on the Stark County Regional Planning Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; 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 Stark County Regional Planning Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Stark County Regional Planning Commission's compliance with those requirements.

In our opinion, the Stark County Regional Planning Commission complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 1999.

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 (continued)

Internal Control Over Compliance

The management of the Stark County Regional Planning Commission is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Stark County Regional Planning Commission's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses.

This report is intended for the information and use of management, the Executive Committee and 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.



GARY B. FINK & ASSOCIATES, INC.
Certified Public Accountants

May 1, 2000

**Stark County Regional Planning Commission
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 1999**

<u>Federal Grantor/ Pass Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass Through Grantor's Number</u>	<u>Grant Award</u>	<u>Federal Receipts</u>	<u>Federal Disbursements</u>
<u>United States Department of Transportation</u>					
(Passed Through the Ohio Department of Transportation):					
Highway Planning and Construction (USDOT Surface Transportation Planning)	20.205	STP-2G99(15)	\$67,881	\$52,896	\$34,788
Highway Planning and Construction (USDOT Surface Transportation Planning)	20.205	TE21-G990-000-692	67,705	15,468	19,163
Total Highway Planning and Construction			<u>135,586</u>	<u>68,364</u>	<u>53,951</u>
Federal Technical Studies Grants (USDOT Consolidated Planning Grant)	20.505	PTS-2076-002-991	285,537	159,200	129,174
Federal Technical Studies Grants (USDOT Consolidated Planning Grant)	20.505	PTS-2076-002-001	330,366	91,697	132,193
Federal Technical Studies Grants (Rideshare)	20.505	9076-2-991	14,000	7,932	7,879
Total Federal Technical Studies Grants			<u>629,903</u>	<u>258,829</u>	<u>269,246</u>
Total Department of Transportation			<u>\$765,489</u>	<u>\$327,193</u>	<u>\$323,197</u>

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards is a summary of the activity of the Stark County Regional Planning Commission's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B - SUPPLEMENTAL INFORMATION

Grant Award amounts include State Agency's (State of Ohio Department of Transportation) matching level of program support of 10%, and denotes that Federal and state funds were commingled.

STARK COUNTY DISTRICT BOARD OF HEALTH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 §505

DECEMBER 31, 1999

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for the major federal program?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for the major federal program?	No
(d)(1)(v)	Type of Major Program Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under §510?	No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 §505
(CONTINUED)

(d)(1)(vii)	Major Program:	Federal Technical Studies Grants, CFDA #20.505
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: none Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None



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OFFICE OF THE AUDITOR

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REGIONAL PLANNING COMMISSION

STARK COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
AUGUST 1, 2000