

**MIAMI VALLEY REGIONAL
PLANNING COMMISSION**

General Purpose Financial Statements

June 30, 2002

with

Independent Auditors' Report



**Auditor of State
Betty Montgomery**

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Members and Board of Directors
Miami Valley Regional Planning Commission

We have reviewed the Independent Auditor's Report of the Miami Valley Regional Planning Commission, Montgomery County, prepared by Clark, Schaefer, Hackett & Co. for the audit period July 1, 2001 through June 30, 2002. 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 "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

January 22, 2003

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GENERAL PURPOSE FINANCIAL STATEMENTS

Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Independent Auditors' Report

To the Members and Board of Directors
Miami Valley Regional Planning Commission

We have audited the accompanying general purpose financial statements of Miami Valley Regional Planning Commission, as of and for the year ended June 30, 2002, as listed in the table of contents. These general purpose financial statements are the responsibility of Miami Valley Regional Planning Commission's management. Our responsibility is to express an opinion on the general purpose 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.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Miami Valley Regional Planning Commission, as of June 30, 2002, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2002 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 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.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the Miami Valley Regional Planning Commission, taken as a whole. The accompanying schedules included in Exhibits B, C, D, E, F and G are presented for purposes of additional analysis only. The accompanying schedule of federal awards expenditures 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 general purpose financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

Clark, Schaefer, Hackett & Co
Springfield, Ohio
September 19, 2002

Miami Valley Regional Planning Commission

**Combined Balance Sheet - All Governmental
Fund Types and Account Groups**

As of June 30, 2002, with Comparative Totals for 2001

	Governmental Fund Types		Account Groups		Totals (Memorandum Only)	
	General Fund	Special Revenue Fund	General Fixed Assets	General Long Term Obligations	2002	2001
ASSETS and OTHER DEBITS						
Cash	\$ 1,855,493	\$ 86,918	\$ -	\$ -	\$ 1,942,411	\$ 1,657,399
Accounts Receivable	2,919	-	-	-	2,919	521
Grants Receivable	23,186	517,611	-	-	540,797	847,529
Due From Special Revenue Fund	517,611	-	-	-	517,611	830,440
Prepaid Expenses	7,529	-	-	-	7,529	6,455
Fixed Assets	-	-	665,571	-	665,571	632,039
Amount to be Provided	-	-	-	283,132	283,132	268,562
Total Assets and Other Debits	\$ 2,406,738	\$ 604,529	\$ 665,571	\$ 283,132	\$ 3,959,970	\$ 4,242,945
LIABILITIES						
Accounts Payable	\$ 319,326	\$ -	\$ -	\$ -	\$ 319,326	\$ 420,085
Accrued Personnel Costs	134,657	-	-	283,132	417,789	413,190
Due to General Fund	-	517,611	-	-	517,611	830,440
Deferred Revenues	227,869	86,918	-	-	314,787	197,591
Total Liabilities	681,852	604,529	-	283,132	1,569,513	1,861,306
EQUITY and OTHER CREDITS						
Investment in General Fixed Assets	-	-	665,571	-	665,571	632,039
Designated For:						
Future Year's Operation	213,849	-	-	-	213,849	211,926
Carryover Grant Matching	25,557	-	-	-	25,557	30,649
Unreserved/Undesignated	1,485,480	-	-	-	1,485,480	1,507,025
Total Fund Balance	1,724,886	-	665,571	-	2,390,457	2,381,639
Total Liabilities, Equity and Other Credits	\$ 2,406,738	\$ 604,529	\$ 665,571	\$ 283,132	\$ 3,959,970	\$ 4,242,945

See Accompanying Notes

Exhibit A-1

Miami Valley Regional Planning Commission

**Combined Statement of Revenues, Expenditures and
Changes in Fund Balances - All Governmental Fund Types**

Year Ended June 30, 2002, with Comparative Totals for 2001

	<u>Governmental Fund Types</u>		<u>Totals</u>	
	General	Special	<u>(Memorandum Only)</u>	
	Fund	Revenue Fund	2002	2001
Revenues:				
Grantor Agency	\$ 70,930	\$ 2,950,065	\$ 3,020,995	\$ 4,097,731
Other	25,254	106,615	131,869	134,570
Membership Dues and Assessments	427,700	-	427,700	423,851
Total Revenues	<u>523,884</u>	<u>3,056,680</u>	<u>3,580,564</u>	<u>4,656,152</u>
Expenditures:				
Personnel	1,119,992	876,306	1,996,298	2,030,761
Contractual	56,541	1,458,538	1,515,079	2,329,698
Other	225,041	313,319	538,360	659,057
Indirect Costs	133,137	572,753	705,890	676,106
Capital Outlays	48,524	-	48,524	37,115
Total Expenditures	<u>1,583,235</u>	<u>3,220,916</u>	<u>4,804,151</u>	<u>5,732,737</u>
Excess of Revenues Under Expenditures	<u>(1,059,351)</u>	<u>(164,236)</u>	<u>(1,223,587)</u>	<u>(1,076,585)</u>
Other Financing Sources (Uses):				
Operating Transfers-In	-	164,236	164,236	172,786
Operating Transfers-Out	(164,236)	-	(164,236)	(172,786)
Cost Allocation Plan Recoveries	1,198,873	-	1,198,873	1,158,234
Total Other Financing Sources	<u>1,034,637</u>	<u>164,236</u>	<u>1,198,873</u>	<u>1,158,234</u>
Excess of Revenues and Other Sources Under Expenditures and Other Uses	<u>(24,714)</u>	<u>-</u>	<u>(24,714)</u>	<u>81,649</u>
Fund Balance, July 1	<u>1,749,600</u>	<u>-</u>	<u>1,749,600</u>	<u>1,667,951</u>
Fund Balance, June 30	<u>\$ 1,724,886</u>	<u>\$ -</u>	<u>\$ 1,724,886</u>	<u>\$ 1,749,600</u>

See Accompanying Notes

Exhibit A-2

Miami Valley Regional Planning Commission

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types

Year Ended June 30, 2002

	General Fund			Special Revenue Fund		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Grantor Agency	\$ 67,908	\$ 70,930	\$ 3,022	\$ 4,169,686	\$ 2,950,065	\$ (1,219,621)
Other	62,280	25,254	(37,026)	122,515	106,615	(15,900)
Membership Dues and Assessments	425,983	427,700	1,717	-	-	-
Total Revenues	556,171	523,884	(32,287)	4,292,201	3,056,680	(1,235,521)
Expenditures:						
Personnel	1,223,950	1,119,992	103,958	1,040,537	876,306	164,231
Contractual	76,400	56,541	19,859	2,319,277	1,458,538	860,739
Other	332,890	225,041	107,849	466,153	313,319	152,834
Indirect Costs	144,906	133,137	11,769	645,133	572,753	72,380
Capital Outlays	145,000	48,524	96,476	-	-	-
Total Expenditures	1,923,146	1,583,235	339,911	4,471,100	3,220,916	1,250,184
Excess of Revenues Under Expenditures	(1,366,975)	(1,059,351)	307,624	(178,899)	(164,236)	14,663
Other Financing Sources (Uses):						
Operating Transfers-In	-	-	-	178,899	164,236	(14,663)
Operating Transfers-Out	(178,899)	(164,236)	14,663	-	-	-
Cost Allocation Plan Recoveries	1,336,229	1,198,873	(137,356)	-	-	-
Total Other Financing Sources	1,157,330	1,034,637	(122,693)	178,899	164,236	(14,663)
Excess of Revenues and Other Sources Under Expenditures and Other Uses	(209,645)	(24,714)	184,931	-	-	-
Fund Balance, July 1, 2001	1,749,600	1,749,600	-	-	-	-
Fund Balance, June 30, 2002	\$ 1,539,955	\$ 1,724,886	\$ 184,931	\$ -	\$ -	\$ -

See Accompanying Notes

Exhibit A-3

**NOTES TO THE
GENERAL PURPOSE FINANCIAL STATEMENTS**

Miami Valley Regional Planning Commission

Notes to the General Purpose Financial Statements
June 30, 2002

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 51 political subdivisions and 14 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, the Transportation Coordinating Committee (TCC) of the Montgomery-Greene County Transportation and Development Planning Program was merged with MVRPC on July 1, 1982. By this same agreement, MVRPC was designated by the State as a Metropolitan Planning Organization, with responsibility for implementing a coordinated, continuing, comprehensive transportation planning process for Montgomery and Greene Counties. This agreement was modified on September 23, 1992 to include Miami County.

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

A summary of the significant accounting policies consistently applied in the preparation of the accompanying general purpose financial statements follows:

Basis of Accounting

MVRPC uses the following fund types and account groups:

Governmental Funds:

General Fund - accounts for all revenues and expenditures except for those required to be accounted for in other funds.

Special Revenue Fund - accounts for grant and contract revenues that are legally restricted to expenditures for specified purposes.

Account Groups:

General Fixed Assets Account Group - accounts for general fixed assets of MVRPC. Capital assets are treated as expenditures in both the general and special revenue funds and are accounted for at cost in the General Fixed Asset account group. No depreciation is recorded for financial reporting purposes. This Account Group is not a "fund" in the sense that it does not measure the results of operations, but rather serves as a custodial account for the fixed assets of MVRPC.

General Long Term Obligations Group - accounts for all unmatured long term liabilities of MVRPC. This group consists solely of long term liabilities for compensated absences

The governmental funds are accounted for on the modified accrual basis of accounting and "flow of current financial resources" measurement focus. Under the modified accrual basis, revenues for these funds are recognized when they become both measurable and available to finance operations. In applying this concept, primary revenue sources accrued at year end include membership fees and intergovernmental revenues. Under the modified accrual basis, expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable.

Basis of Reporting

The pyramid approach to governmental financial reporting is used. Under MVRPC's adaptation of this approach, combined overview financial statements are used to present data separately for the general fund, the special revenue fund, the general fixed asset account group and the general long term obligations account group. Combining financial statements are presented for the grants included in the special revenue fund. Supplemental information is also reported to provide grantor agencies with information necessary for them to determine compliance with the financial portions of the grant agreements.

Miami Valley Regional Planning Commission

Notes to the General Purpose Financial Statements
June 30, 2002

NOTE 1 ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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. For 2002 the assessment was as follows:

<u>Member Type</u>	<u>Regional Planning</u>	<u>Transportation</u>
Counties		
- Total population	\$ 0.06/capita	n/a
- Non-member unincorporated areas	0.06/capita	\$ 0.21/capita
Municipalities and Townships	\$ 0.25/capita	\$ 0.21/capita
Quasi and Non-governmental bodies	\$ 500/annual	n/a

The total revenue generated from member fees and assessments for MVRPC and for the Transportation Committee was \$256,964 and \$170,736, respectively.

Special Revenue 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, 2002. The amounts available for completing grant objectives for these grant programs are summarized below by funding type.

<u>Type</u>	<u>Amount</u>
Federal Grants	\$ 1,251,983
Other Grants and Contracts	236,646

Fringe Benefits

Accumulated unpaid vacation pay is accrued in the general fund and reported as accrued employee compensation. Accumulated unpaid sick leave is accrued and recorded in the general long term obligations account group. Sick leave days may be converted to pay upon retirement at the rate of 4 to 1, up to a maximum of thirty (30) days. As of June 30, 2002 there were two employees eligible to retire. The current cost of their sick leave conversion to retirement pay has been accrued and reported in the general fund.

As discussed in note 3, 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 2002 indirect costs were billed at a provisional, of 62% of direct labor dollars, including fringe benefits.

Miami Valley Regional Planning Commission

Notes to the General Purpose Financial Statements June 30, 2002

NOTE 1 ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Comparative Data

Comparative total data for the prior year has been presented in the accompanying general purpose financial statements in order to provide an understanding of overall changes in the Commission's financial position and operations. However, comparative data (i.e., presentation of prior year totals by fund type) have not been presented in the general purpose financial statements, since their inclusion would make the statements unduly complex and difficult to read.

Total Columns on Combined Overview Statements

The "Memorandum Only" captions on the combined level total columns indicate that the information is presented only as an aid in financial analysis and do not present financial position or results of operations in conformity with accounting principles generally accepted in the United States of America. The information is not comparable to a consolidation.

Designated Fund Balance

Fund Balance is designated for Carryover Grant Matching and Future Year's Operation. The amount designated for Carryover Grant Matching represents the local contribution that is required to be made for grants that extend beyond the end of the fiscal year. 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 by the staff and approved by the Commission. Budgets are reviewed on an ongoing basis and amendments are proposed as necessary. The amendments are approved by the Board of Directors.

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 2 LEASE COMMITMENTS

MVRPC entered into a noncancellable operating lease agreement for office space effective January 1, 2000 through December 31, 2004 and various office equipment leases that run through FY 2007. The future minimum rental commitments on the noncancellable lease as of June 30, 2002 is as follows:

<u>Fiscal Year Ended</u>	<u>Office Space</u>	<u>Equipment</u>
2003	\$106,936	\$18,455
2004	109,366	18,455
2005	55,290	18,455
2006	0	17,570
2007	0	11,133

Total rental expense for the year ended June 30, 2002, was \$118,772.

Miami Valley Regional Planning Commission

Notes to the General Purpose Financial Statements June 30, 2002

NOTE 3 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 oversight 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 oversight 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 2002

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 2002 fringe benefit costs were allocated at a provisional rate of 47% of productive direct and indirect labor dollars. The actual fringe benefit cost rate was 49.27%. Per the agreement with ODOT, the provisional rate was adjusted to actual and the adjustment is reflected in the financial statements.

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 oversight grantor agency. The 2002 indirect costs were allocated at a provisional rate of 62% of direct labor dollars, including fringe benefits. The actual indirect cost rate was 65.36%. Per the agreement with ODOT, the provisional rate was adjusted to actual and the adjustment is reflected in the financial statements.

NOTE 4 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 5 INTERFUND RECEIVABLES AND PAYABLES

As of June 30, 2002 there was an Interfund Receivable of \$517,611 in the General Fund and an Interfund Payable of \$517,611 in the Special Revenue Fund.

NOTE 6 CASH AND INVESTMENTS

Pooled Cash

As required by Ohio Revised Code, the Montgomery County Auditor acts as the fiscal agent for the Commission and the cash is held and invested by the Montgomery County Treasurer. The Commission's assets are held in the County's cash and investment pool. At year-end, the reconciled carrying amount on the County Auditor's records for the Commission's cash balance was \$1,945,411.

Miami Valley Regional Planning Commission

Notes to the General Purpose Financial Statements June 30, 2002

NOTE 7 DEFINED BENEFIT PENSION PLANS

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

Public Employees Retirement System (the "PERS of Ohio")

The following information was provided by the PERS of Ohio to assist the Commission in complying with GASB Statement No. 27, "Accounting for Pensions by State and Local Government Employers."

All employees of the Commission, participate in the PERS of Ohio, a cost sharing, multiple employer defined benefit pension plan. The PERS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Public Employees Retirement System of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the PERS of Ohio. 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.

The Ohio Revised Code provides statutory authority for employee and employer contributions. Plan members are required to contribute 8.5% of their annual covered salary and the Commission's contribution rate for 2002 was 13.55% of covered payroll. The Commission's required contributions for the periods ended June 30, 2002, 2001, and 2000 were \$158,212, \$133,490 and \$160,413, respectively. All required contributions were made at fiscal year end.

NOTE 8 OTHER POST-EMPLOYMENT BENEFITS

In addition to the pension benefits described previously, PERS provides post-retirement health care coverage commonly referred to as OPEB (other post-employment benefits). For this system, the Ohio Revised Code provides the authority for public employers to fund post-retirement health care through their contributions.

The PERS of Ohio provides post employment health care benefits to age and service retirees with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health care coverage for disability recipients is also available. A portion of each employer's contribution to the PERS of Ohio is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund post employment health care through their contributions to the PERS of Ohio. For local government employer units the rate was 13.55% of covered payroll; 4.30% was the portion that was used to fund health care for the year.

The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to PERS.

Summary of Assumptions:

Actuarial Review: The following assumptions and calculations were based on the System's latest Actuarial Review performed as of December 31, 2000.

Funding Method: An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of the unfunded actuarial accrued liability.

Assets Valuation Method: All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets.

Miami Valley Regional Planning Commission

Notes to the General Purpose Financial Statements
June 30, 2002

NOTE 8 OTHER POST-EMPLOYMENT BENEFITS cont'd

Investment Return: The investment assumption rate for 2000 was 7.75%.

Active Employee Total Payroll: An annual increase of 4.75% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.75% base increase, were assumed to range from 0.54% to 5.1%.

Health Care: Health care costs were assumed to increase 4.75% annually.

The OPEB's are advance-funded on an actuarially determined basis. The number of active contributing participants was 411,076. The portion of MVRPC's contributions that were used to fund post employment benefits was \$50,207. The actuarial value of the Retirement System's net assets available for OPEB at December 31, 2000 was \$11,735.9 million. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$14,364.6 million and \$2,628.7 million, respectively.

NOTE 9 GENERAL FIXED ASSETS

	<u>Balances at</u> <u>7/1/01</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances at</u> <u>6/30/02</u>
Furniture and Fixtures	\$ 121,828	-		\$ 121,828
Equipment	395,044	48,524	14,992	428,576
Leasehold Improvements	115,167	-	-	115,167
Total	<u>\$ 632,039</u>	<u>48,524</u>	<u>14,992</u>	<u>\$ 665,571</u>

NOTE 10 LONG TERM OBLIGATIONS

MVRPC records the potential liability for the conversion of accrued sick leave that would be paid out to eligible retirees within the next 12 months of year end. The following is a summary of long-term obligations for the year ended June 30, 2002:

Amount accrued at June 30, 2001	\$ 268,562
FY 2002 amount	<u>14,570</u>
Amount accrued at June 30, 2002	<u>\$ 283,132</u>

The above long-term obligations represent liabilities of the general long-term obligations account group.

Miami Valley Regional Planning Commission

**Notes to the General Purpose Financial Statements
June 30, 2002**

NOTE 11 PROPERTY AND INSURANCE

The Commission 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 2002, the Commission contracted with The Hartford Insurance Company and Cincinnati Intermediaries for the following insurance coverage:

Business personal property	\$ 615,000
Computer equipment	200,000
Comprehensive general liability	1,000,000
Valuable papers	250,000
Business auto coverage	1,000,000
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.

ADDITIONAL INFORMATION

COMBINING FINANCIAL STATEMENTS

Miami Valley Regional Planning Commission

**Statement of Revenues, Expenditures and Changes in Fund Balance
Special Revenue Fund Summary by Program**

Year Ended June 30, 2002

	Transportation Programs Exhibit C-1	Water Quality Programs Exhibit C-2	Criminal Justice Programs Exhibit C-3	Community Services Programs Exhibit C-4	Total Special Revenue Fund
Revenues:					
Grantor Agency	\$ 1,449,700	\$ 121,005	\$ 1,202,692	\$ 176,668	\$ 2,950,065
Other	106,615	-	-	-	106,615
Total Revenues	1,556,315	121,005	1,202,692	176,668	3,056,680
Expenditures:					
Personnel	761,576	63,970	50,760	-	876,306
Contractual	98,267	48,207	1,135,396	176,668	1,458,538
Other	310,338	2,147	834	-	313,319
Indirect Costs	497,766	41,810	33,177	-	572,753
Total Expenditures	1,667,947	156,134	1,220,167	176,668	3,220,916
Excess of Revenues Under Expenditures	(111,632)	(35,129)	(17,475)	-	(164,236)
Other Financing Sources (Uses):					
Operating Transfers-In	111,632	35,129	17,475	-	164,236
Fund Balance - July 1, 2001	-	-	-	-	-
Fund Balance - June 30, 2002	\$ -	\$ -	\$ -	\$ -	\$ -

Miami Valley Regional Planning Commission

Statement of Revenues, Expenditures and Changes in Fund Balance
 Special Revenue Fund
 Transportation Program Summary

Year Ended June 30, 2002

Federal Highway Administration (FHWA)/
 Ohio Department of Transportation (ODOT)

	Consolidated Transportation Planning			ITS Nutter Center
	FY 2002	FY 2001	Rideshare	
Revenues:				
Grantor Agency	\$ 785,731	\$ 67,209	\$ 198,277	\$ 34,758
Other	98,214	8,401	-	-
Total Revenues	<u>883,945</u>	<u>75,610</u>	<u>198,277</u>	<u>34,758</u>
Expenditures:				
Personnel	556,634	44,365	57,357	-
Contractual	30,859	12,198	4,170	34,758
Other	30,852	1,035	99,262	-
Indirect Costs	363,816	28,997	37,488	-
Total Expenditures	<u>982,161</u>	<u>86,595</u>	<u>198,277</u>	<u>34,758</u>
Excess of Revenues Under Expenditures	<u>(98,216)</u>	<u>(10,985)</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):				
Operating Transfers-In	98,216	10,985	-	-
Fund Balance - July 1, 2001	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - June 30, 2002	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Miami Valley Regional Planning Commission

Statement of Revenues, Expenditures and Changes in Fund Balance
 Special Revenue Fund
 Transportation Program Summary

Year Ended June 30, 2002

Federal Highway Administration (FHWA)
 Ohio Department of Transportation (ODOT)

	Regional OZONE Action Program			IR75 Bridge Reconst PR	170/75 Interchange PR Outreach
	CY 2002	CY 2001	CY 2000	CY 2001	
Revenues:					
Grantor Agency	\$ 115,321	\$ 127,898	\$ 979	\$ 15,603	\$ 10,386
Other	-	-	-	-	-
Total Revenues	115,321	127,898	979	15,603	10,386
Expenditures:					
Personnel	24,287	29,138	627	-	-
Contractual	-	5,000	-	-	-
Other	75,159	76,415	-	15,603	10,386
Indirect Costs	15,875	19,044	409	-	-
Total Expenditures	115,321	129,597	1,036	15,603	10,386
Excess of Revenues Under Expenditures	-	(1,699)	(57)	-	-
Other Financing Sources (Uses):					
Operating Transfers-In	-	1,699	57	-	-
Fund Balance - July 1, 2001	-	-	-	-	-
Fund Balance - June 30, 2002	\$ -	\$ -	\$ -	\$ -	\$ -

Miami Valley Regional Planning Commission

**Statement of Revenues, Expenditures and Changes in Fund Balance
Special Revenue Fund
Transportation Program Summary**

Year Ended June 30, 2002

	<u>North South Transportation Initiative</u>	<u>Household Survey</u>	<u>Dept of Interior Nat'l Park Service Dayton Avation Heritage Park Transportation</u>	<u>Total</u>
Revenues:				
Grantor Agency	\$ 64,078	\$ 1,121	\$ 28,339	\$ 1,449,700
Other	-	-	-	106,615
Total Revenues	<u>64,078</u>	<u>1,121</u>	<u>28,339</u>	<u>1,556,315</u>
Expenditures:				
Personnel	37,843	619	10,706	761,576
Contractual	-	-	11,282	98,267
Other	1,501	97	28	310,338
Indirect Costs	24,734	405	6,998	497,766
Total Expenditures	<u>64,078</u>	<u>1,121</u>	<u>29,014</u>	<u>1,667,947</u>
Excess of Revenues Under Expenditures	<u>-</u>	<u>-</u>	<u>(675)</u>	<u>(111,632)</u>
Other Financing Sources (Uses):				
Operating Transfers-In	-	-	675	111,632
Fund Balance - July 1, 2001	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - June 30, 2002	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Miami Valley Regional Planning Commission

Statement of Revenues, Expenditures and Changes in Fund Balance
 Special Revenue Fund
 Water Quality Program Summary

Year Ended June 30, 2002

	U.S. Environmental Protection Agency		Ohio General	
	Ohio Environmental Protection Agency	EMPACT	Revenue Grant	
	Water Quality Mgmt FY2002 604(b)	R 827091-01-0	Water Quality Planning Support	Total
Revenues:				
Grantor Agency	\$ 50,426	\$ 58,589	\$ 11,990	121,005
Other	-	-	-	-
Total Revenues	50,426	58,589	11,990	121,005
Expenditures:				
Personnel	50,609	5,889	7,472	63,970
Contractual	-	48,207	-	48,207
Other	1,368	645	134	2,147
Indirect Costs	33,078	3,848	4,884	41,810
Total Expenditures	85,055	58,589	12,490	156,134
Excess of Revenues Under Expenditures	(34,629)	-	(500)	(35,129)
Other Financing Sources (Uses):				
Operating Transfers-In	34,629	-	500	35,129
Fund Balance - July 1, 2001	-	-	-	-
Fund Balance - June 30, 2002	\$ -	\$ -	\$ -	\$ -

Miami Valley Regional Planning Commission

**Statement of Revenues, Expenditures and Changes in Fund Balance
Special Revenue Fund
Criminal Justice Program Summary**

Year Ended June 30, 2002

	U.S. Department of Justice/ Ohio Office of Criminal Justice Services		
	Anti-Narcotics Administrative	Anti-Narcotics Block Grants	
	00-DG- ADM-7525	FFY 99 0997	FFY 00 0907
Revenues:			
Grantor Agency	\$ 31,657	\$ 57,582	\$ 604,574
Other	-	-	-
Total Revenues	31,657	57,582	604,574
Expenditures:			
Personnel	26,161	-	-
Contractual	-	57,582	604,574
Other	481	-	-
Indirect Costs	17,099	-	-
Total Expenditures	43,741	57,582	604,574
Excess of Revenues Under Expenditures	(12,084)	-	-
Other Financing Sources (Uses):			
Operating Transfers-In	12,084	-	-
Fund Balance - July 1, 2001	-	-	-
Fund Balance - June 30, 2002	\$ -	\$ -	\$ -

Miami Valley Regional Planning Commission

Statement of Revenues, Expenditures and Changes in Fund Balance
 Special Revenue Fund
 Criminal Justice Program Summary

Year Ended June 30, 2002

	U.S. Department of Justice/ Ohio Office of Criminal Justice Services		
	Juvenile Justice Administrative	Juvenile Justice Block Grants	
	00-JB -ADM-228	FFY 2000 00-JB-RPU-0900	FFY 99 Title V 0996
Revenues:			
Grantor Agency	\$ 18,226	\$ 210,481	\$ 30,631
Other	-	-	-
Total Revenues	18,226	210,481	30,631
Expenditures:			
Personnel	12,680	-	-
Contractual	-	210,482	30,631
Other	25	-	-
Indirect Costs	8,288	-	-
Total Expenditures	20,993	210,482	30,631
Excess of Revenues Under Expenditures	(2,767)	(1)	-
Other Financing Sources (Uses):			
Operating Transfers-In	2,767	1	-
Fund Balance - July 1, 2001	-	-	-
Fund Balance - June 30, 2002	\$ -	\$ -	\$ -

Miami Valley Regional Planning Commission

Statement of Revenues, Expenditures and Changes in Fund Balance
 Special Revenue Fund
 Criminal Justice Program Summary

Year Ended June 30, 2002

U.S. Department of Justice/
 Ohio Office of Criminal Justice Services

	Stop Violence Against Women		Block Grants		Total
	Administrative		FFY 99	FFY 00	
	00-WF VAW-8901	99-WF VAW-8901	0998	0908	
Revenues:					
Grantor Agency	\$ 6,370	\$ 11,044	\$ 2,540	\$ 229,587	\$ 1,202,692
Other	-	-	-	-	-
Total Revenues	6,370	11,044	2,540	229,587	1,202,692
Expenditures:					
Personnel	3,956	7,963	-	-	50,760
Contractual	-	-	2,540	229,587	1,135,396
Other	92	236	-	-	834
Indirect Costs	2,585	5,205	-	-	33,177
Total Expenditures	6,633	13,404	2,540	229,587	1,220,167
Excess of Revenues Under Expenditures	(263)	(2,360)	-	-	(17,475)
Other Financing Sources (Uses):					
Operating Transfers-In	263	2,360	-	-	17,475
Fund Balance - July 1, 2001	-	-	-	-	-
Fund Balance - June 30, 2002	\$ -	\$ -	\$ -	\$ -	\$ -

Miami Valley Regional Planning Commission

**Statement of Revenues, Expenditures and Changes in Fund Balance
Special Revenue Fund
Community Services Program Summary**

Year Ended June 30, 2002

	Montgomery County <u>Ortho-Photography</u>	<u>Total</u>
Revenues:		
Grantor Agency	\$ 176,668	\$ 176,668
Other	<u>-</u>	<u>-</u>
Total Revenues	<u>176,668</u>	<u>176,668</u>
Expenditures:		
Personnel	-	-
Contractual	176,668	176,668
Other	-	-
Indirect Costs	<u>-</u>	<u>-</u>
Total Expenditures	<u>176,668</u>	<u>176,668</u>
 Excess of Revenues Under Expenditures	 <u>-</u>	 <u>-</u>
 Other Financing Sources (Uses):		
Operating Transfers-In	-	-
 Fund Balance, July 1, 2001	 <u>-</u>	 <u>-</u>
 Fund Balance, June 30, 2002	 <u><u>\$ -</u></u>	 <u><u>\$ -</u></u>

GENERAL FIXED ASSETS ACCOUNT GROUP STATEMENTS

Miami Valley Regional Planning Commission

Statement of General Fixed Assets

June 30, 2002

General Fixed Assets	
Furniture and Fixtures	\$ 121,828
Equipment	428,576
Leasehold Improvements	115,167
Total General Fixed Assets	<u>\$ 665,571</u>

Investment in General Fixed Assets	
General Fund	\$ 625,762
Special Revenue Funds	39,809
Total Investment in General Fixed Assets	<u>\$ 665,571</u>

Miami Valley Regional Planning Commission
Statement of Changes in General Fixed Assets
Year Ended June 30, 2002

	<u>Balances at 7/1/01</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances at 6/30/02</u>
Furniture and Fixtures	\$ 121,828	\$ -	\$ -	\$ 121,828
Equipment	395,044	48,524	14,992	428,576
Leasehold Improvements	115,167	-	-	115,167
Total	<u>\$ 632,039</u>	<u>\$ 48,524</u>	<u>\$ 14,992</u>	<u>\$ 665,571</u>

MISCELLANEOUS INFORMATION

Miami Valley Regional Planning Commission

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

Year Ended June 30, 2002

Fringe Benefit Cost Pool Charges:

Public Employees Retirement System Contributions	\$ 158,212
Health Insurance Premiums	142,608
Life Insurance Premiums	1,738
Workers' Compensation Premiums	3,139
Unemployment Insurance	510
F.I.C.A. (Medicare) Expenses	12,304
Sick Leave Pay	37,578
Holiday Pay	48,311
Vacation, Personal and Other Leave	88,137
Retirement Pay	438
Total Fringe Benefit Cost Pool Charges	<u>\$ 492,975</u>

Fringe Benefit Cost Rate Base:

Salaries	<u>\$ 1,000,575</u>
----------	---------------------

Final Fringe Benefit Cost Rate Computation:

Total Fringe Benefit Cost Pool Charges	\$ 492,975
Divided By: Total Fringe Benefit Cost Rate Base	<u>1,000,575</u>
Equals - Final Fringe Benefit Cost Rate	<u>49.27%</u>

Current Year's Cost Recovery Comparison:

Fringe Benefit Costs Recovered	\$ 492,983
Total Fringe Benefit Cost Pool Charges	492,975
Over (Under) Recovered Costs	<u>\$ 8</u>

Miami Valley Regional Planning Commission

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

Year Ended June 30, 2002

Indirect Cost Pool Charges:

Salaries	\$ 274,577
Allocated Fringe Benefits	135,284
Contractual Services	56,442
Communication and Supplies	32,678
Rents and Rentals	112,244
Travel	4,182
Maintenance and Repairs	9,937
Other Costs	28,452
Allowance for Depreciation	52,134
Total Indirect Costs	<u>\$ 705,930</u>

Indirect Cost Rate Base:

Direct Salaries	\$ 723,523
Allocated Fringe Benefits 49.27%	356,480
Total Indirect Cost Rate Base	<u>\$ 1,080,003</u>

Final Indirect Cost Rate Computation:

Total Indirect Cost Pool Charges	\$ 705,930
Divided By: Total Indirect Cost Rate Base	\$ 1,080,003
Equals - Final Indirect Cost Rate	<u>65.36%</u>

Current Year's Cost Recovery Comparison:

Indirect Cost Recovered	\$ 705,890
Total Indirect Costs	705,930
Over (Under) Recovered Costs	<u>\$ (40)</u>

Miami Valley Regional Planning Commission

Schedule of Revenues and Expenditures by Program

Year Ended June 30, 2002

	Transportation Programs	Environmental Programs	Criminal Justice Programs	Community Services Programs	Total
Revenues:					
Federal Grants	\$ 1,457,069	\$ 109,015	\$ 1,202,692	\$ -	\$ 2,768,776
Other Grants & Contracts	-	15,490	-	226,965	242,455
Other Matching	106,615	-	-	-	106,615
Misc Sales & Receipts	-	-	-	75	75
Total Revenues	1,563,684	124,505	1,202,692	227,040	3,117,921
Other Financing Sources (Uses):					
Operating Transfers-In	111,632	152,726	26,103	165,475	455,936
Total Other Financing Sources	111,632	152,726	26,103	165,475	455,936
Total Revenues & Other Sources	\$ 1,675,316	\$ 277,231	\$ 1,228,795	\$ 392,515	\$ 3,573,857
Expenditures:					
Personnel	\$ 761,576	\$ 133,994	\$ 55,978	\$ 128,457	\$ 1,080,005
Contractual	98,267	48,207	1,135,396	176,767	1,458,637
Other	317,707	7,453	834	3,331	329,325
Indirect Costs	497,766	87,577	36,587	83,960	705,890
Total Expenditures	\$ 1,675,316	\$ 277,231	\$ 1,228,795	\$ 392,515	\$ 3,573,857

Miami Valley Regional Planning Commission

**Schedule of Revenues and Expenditures - Federal Transit Administration and
Federal Highway Administration/Ohio Department of Transportation -
Fiscal Year 2002 Transportation Planning Work Program Elements**

601	602	605	610	625	695	697	Total
Short Range	Transportation Improvement Program	Monitoring and Surveillance	Review & Appraisal	Service	Transportation Program Administration	Transportation Annual Report	
\$ 53,381.96	\$ 81,322.55	\$ 208,127.36	\$ 204,647.86	\$ 59,752.11	\$ 155,440.78	\$ 23,058.39	\$ 785,731.01
6,670.48	10,165.31	26,015.97	25,581.02	7,469.04	19,430.14	2,882.31	98,214.27
60,052.44	91,487.86	234,143.33	230,228.88	67,221.15	174,870.92	25,940.70	883,945.28
6,672.10	10,165.32	26,015.87	25,580.95	7,468.97	19,430.04	2,882.29	98,215.54
\$ 66,724.54	\$ 101,653.18	\$ 260,159.20	\$ 255,809.83	\$ 74,690.12	\$ 194,300.96	\$ 28,822.99	\$ 982,160.82

Revenues:

Federal Transit Administration / Federal Highway Administration CPG Grant
Ohio Dept. of Transportation
Match to CPG Grant
Total Revenues

Other Financing Sources:

Operating Transfers-In

Total Revenues and Other Sources

Expenditures:

Salaries	\$ 26,224.42	\$ 40,865.70	\$ 102,073.88	\$ 95,746.85	\$ 28,705.69	\$ 77,079.72	\$ 2,208.00	\$ 372,904.26
Fringe Benefits	12,920.76	20,134.53	50,291.80	47,174.47	14,143.29	37,977.18	1,087.88	183,729.91
Contract Services	-	-	-	7,500.00	594.62	-	22,794.50	30,859.12
Other	1,994.08	783.20	8,207.31	11,975.13	3,270.43	4,042.87	578.42	30,851.44
Indirect Costs	25,585.28	39,869.75	99,586.21	93,413.38	28,006.09	75,201.19	2,154.19	363,816.09
Total Expenditures	\$ 66,724.54	\$ 101,653.18	\$ 260,159.20	\$ 255,809.83	\$ 74,690.12	\$ 194,300.96	\$ 28,822.99	\$ 982,160.82

Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting
Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards

To the Board of Directors
Miami Valley Regional Planning Commission

We have audited the general purpose financial statements of Miami Valley Regional Planning Commission as of and for the year ended June 30, 2002, and have issued our report thereon dated September 19, 2002. 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 Miami Valley 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 Miami Valley 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 operation that we consider to be material weaknesses.

This report is intended solely for the information of the audit committee, management, the Auditor of State of Ohio, 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.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
September 19, 2002

Clark, Schaefer, Hackett & Co.

CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133

To the Board of Directors and Members
Miami Valley Regional Planning Commission

Compliance

We have audited the compliance of Miami Valley 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 each of its major federal programs for the year ended June 30, 2002. The Miami Valley Regional Planning Commission's major federal programs are 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 each of its major federal programs is the responsibility of Miami Valley Regional Planning Commission's management. Our responsibility is to express an opinion on Miami Valley Regional Planning Commission'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 Miami Valley 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 Miami Valley Regional Planning Commission's compliance with those requirements.

In our opinion, Miami Valley Regional Planning Commission complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2002.

Internal Control Over Compliance

The management of Miami Valley 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 Miami Valley 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.

Schedule of Federal Awards Expenditures

We have audited the general purpose financial statements of Miami Valley Regional Planning Commission, as of and for the year ended June 30, 2002, and have issued our report thereon dated September 19, 2002. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements of Miami Valley Regional Planning Commission. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

This report is intended solely for the information of the audit committee, management, the Auditor of State of Ohio, 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.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
September 19, 2002

**Miami Valley Regional Planning Commission
Schedule of Federal Awards Expenditures**

Year Ended June 30, 2002

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Program or Award Amount	Total Federal Share	Unexpended Program Amount 7/1/2001	Federal Share of Expenditures	MVRPC Matching Expen- ditures	Other Matching Expen- ditures	Other	Unexpended Program Amount 6/30/2002
Department of Justice										
Pass-Through, Office of										
Criminal Justice Services	16.523	00-JB-ADM-0228	\$ 20,252	\$ 18,226	\$ 20,252	\$ 18,226	\$ 2,026	-	\$ -	\$ -
Juvenile Justice Programs	16.523	00-JB-RPU-0900	466,127	419,514	419,514	210,481	-	-	209,033	-
Subtotal 16.523					439,766	228,707	2,026	-	209,033	-
Subtotal 16.540										
Byrne Memorial Programs	16.579	00-DG-ADM-7525	93,333	70,000	42,209	31,657	10,552	-	-	-
	16.579	00-DG-RPU-0907	1,248,580	936,436	688,224	604,574	-	-	83,650	-
	16.579	99-DG-RPU-0997	1,130,897	848,173	81,336	57,582	-	-	23,754	-
Subtotal 16.579					811,769	693,813	10,552	-	107,404	-
Violence Against Women Programs	16.588	00-WF-VAW-8901	17,000	17,000	11,044	11,044	-	-	-	-
	16.588	01-WF-VAW-8901	6,370	6,370	6,370	6,370	-	-	-	-
	16.588	00-WF-RPU-0908	365,567	311,967	270,370	229,597	-	-	40,783	-
	16.588	99-WF-RPU-0998	349,088	298,175	2,998	2,540	-	-	458	-
Subtotal 16.588					290,782	249,541	-	-	41,241	-
Total Department of Justice					\$ 1,636,608	\$ 1,202,692	\$ 12,578	\$ -	\$ 421,388	\$ -
Department of Interior										
National Park Service	15.914	CA6295A0002	\$ 250,000	\$ 250,000	\$ 28,339	\$ 28,339	\$ -	\$ -	\$ -	\$ -
Total Department of Interior					\$ 28,339	\$ 28,339	\$ -	\$ -	\$ -	\$ -

**Miami Valley Regional Planning Commission
Schedule of Federal Awards Expenditures**

Year Ended June 30, 2002

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Program or Award Amount	Total Federal Share	Unexpended Program Amount 7/1/2001	Federal Share of Expenditures	MVRPC Matching Expen- ditures	Other Matching Expen- ditures	Unexpended Program Amount 6/30/2002
Environmental Protection Agency									
Consolidated Research	66.500	R 827091-01-0	\$ 561,705	\$ 534,210	\$ 69,971	\$ 58,589	\$ -	\$ -	\$ 11,382
Pass-Through, Ohio Environmental Protection Agency									
Water Quality Management	66.454	604(b) FY 2002	84,043	50,426	84,043	50,426	33,617	-	-
Total Environmental Protection Agency									
Department of Transportation									
Federal Transit Administration									
Section 5309 New Start	20.500	OH-03-0173-00	\$ 992,550	\$ 992,550	\$ 112,547	\$ -	\$ -	\$ -	\$ 112,547
Pass-Through, Ohio Department of Transportation									
Highway Planning and Construction									
	20.205	Consolidated Planning FY 99	\$ 937,128	\$ 749,702	\$ 96,583	\$ -	\$ -	\$ -	\$ 96,583
	20.205	Consolidated Planning FY 2002	1,141,078	912,862	1,141,078	785,731	98,216	98,214	158,917
	20.205	Consolidated Planning FY 2001	1,109,800	887,840	84,070	67,209	8,460	8,401	-
	20.205	Rideshare FY 2001 - FY 2003	690,000	690,000	480,355	198,277	-	-	282,078
	20.205	Models Update	380,709	380,709	65,323	1,121	-	-	64,202
	20.205	Regional OZONE CY 2002	263,700	263,700	263,700	115,321	-	-	148,379
	20.205	Regional OZONE CY 2001	243,000	243,000	127,898	127,898	-	-	-
	20.205	Regional OZONE CY 2000	230,000	230,000	979	979	-	-	-
	20.205	IR-75 Brigade Replace PR - Yr 2	100,000	100,000	16,195	15,603	-	592	-
	20.205	IR 70/75 Interchanging PR Campaign	331,015	331,015	331,015	10,386	-	-	320,629
	20.205	NSTI - 175 MIS	200,000	200,000	121,344	64,078	-	-	57,266
	20.205	Intelligent Trans Systems	534,500	534,500	135,039	34,758	-	100,281	-
Total Highway Planning and Construction									
Total Department of Transportation									
Total Federal Financial Assistance									
			\$ 2,863,579	\$ 1,421,361	\$ 2,863,579	\$ 1,421,361	\$ 106,676	\$ 106,615	\$ 1,128,054
			\$ 2,976,126	\$ 1,421,361	\$ 2,976,126	\$ 1,421,361	\$ 106,676	\$ 106,615	\$ 1,240,601
			\$ 4,795,087	\$ 2,761,407	\$ 4,795,087	\$ 2,761,407	\$ 152,871	\$ 106,615	\$ 1,251,983

Miami Valley Regional Planning Commission

**Notes to the Schedule of Federal Awards Expenditures
June 30, 2002**

Note 1. Some federal financial assistance programs require MVRPC to match expenditures made with their own funds or funds received from other sources. The matching requirements are at various rates as governed by the specific grant agreement. The Ohio Department of Transportation (ODOT) is the other matching source for the Transportation Planning Program and the Intelligent Transportation Systems grant.

Note 2. The "Other" category consists of grant amounts that were refunded to or canceled by Grantor Agency as listed below:

Department of Justice – Juvenile Justice 00-JB-RPU-0900 – Canceled
Department of Justice – Juvenile Justice 99-JV-RPU-0996 – Canceled
Department of Justice – Byrne Memorial 00-DG-RPU-0907 – Canceled
Department of Justice – Byrne Memorial 99-DG-RPU-0997 – Canceled
Department of Justice – Violence Against Women 99-WF-RPU-0998 – Canceled
Department of Justice – Violence Against Women 00-WF-RPU-0998 – Canceled
Department of Transportation – IR75 Bridge Replacement PR Yr2 – Canceled
Department of Transportation – Intelligent Trans Systems - Canceled

Note 3. The federal assistance funds received by MVRPC under the Byrne Memorial Block Grants and the Violence Against Women Block Grants were subgranted to Montgomery County, the City of Dayton, the City of Riverside, and The Dayton Metropolitan Housing Authority. The subgrantee is required to match the federal funds received through MVRPC on a 75% to 25% basis. The matching expenditures required of the subgrantee are not recorded on MVRPC's books and are not included on this schedule.

Note 4. The federal assistance funds received from the Department of Transportation through the Ohio Department of Transportation and reported under CFDA number 20.205 titled Transportation Planning was a consolidation of funds the Federal Highway Administration 's Highway Planning and Construction and the Federal Transit Administration's Section 5303 Technical Studies Grant.

Note 5. The Schedule of Federal Awards Expenditures was prepared using the accrual basis method of accounting

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 § .505**

MIAMI VALLEY REGIONAL PLANNING COMMISSION

JUNE 30, 2002

1. SUMMARY OF AUDITORS' 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 (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Were there any reported non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Highway Planning and Construction; CFDA #20.205
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$300,000 Type B: All others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

Findings: None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Findings: None

**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 § .315(b)**

Miami Valley Regional Planning Commission

June 30, 2002

Prior Audit Findings:

None

MIAMI VALLEY REGIONAL PLANNING COMMISSION

Commission Members

<u>Governmental Members</u>	<u>Member</u>	<u>Alternate</u>
Beavercreek	Richard Perales	Juliann Vann
Beavercreek Township	Richard Little	Carol Graff
Bellbrook	Pat Campbell	Robert Middlestetter
Bethel Township	Jerome Hirt, Sr.	Matthew Davis
Brookville	David Seagraves	John Wright
Butler Township	Eleanor Lewis	Joseph Ellis
Carlisle	Patrick Long	Brad Townsend
Centerville	Sally Beals	Douglas Cline
Clayton	Tim Gorman	David Rowlands
Darke County	Terry Haworth	Robert Downing
Dayton	Richard Zimmer	Vacant
Eaton	Larry Petry	K. Douglas Spittler
Eldorado	Larry Marker	Don Thompson
Englewood	Judy Gerhard	Thomas Franz
Fairborn	Jack Wilson	Michael Cornell
Farmersville	Mary Ann Rondeau	Melodie Faulkner
Germantown	W. Henry Young	Scott Pickup
Greene County	W. Reed Madden	Robert Schroeder
Greenville	John Burkett	Penny Perry
Harrison Township	David Woods	Roland Winburn
Huber Heights	Jan Vargo	Jack Hensley
Jamestown	Donald Kolesar	Aaron Kilbarger
Kettering	Donald Patterson, Jr.	Bruce Duke
Miami County	B. Ronald Widener	Daniel Brandewie
Miami Township	Shirley Omietanski	Greg Rogers
Miamisburg	Robert Faulkner	vacant
Monroe Township	John Evans	Ronald Thuma
Montgomery County	Don Lucas	Charles Curran
Moraine	Robert Rosencrans	Bryon Blake
New Carlisle	Robert Horrocks	James Caplinger
New Lebanon	Lou Cooper	Annie Clark
New Madison	Kenneth Farmer	Steve Eadler
Oakwood	Carlo McGinnis	Norbert Klopsch
Perry Township	Bill Fohrman	Gerald Peters
Phillipsburg	Charles Marquis	Larry Shields
Piqua	Robert DeBrosse	Frank Barhorst

MIAMI VALLEY REGIONAL PLANNING COMMISSION

Commission Members

Governmental Members cont'd

Riverside
 Springboro
 Tipp City
 Trotwood
 Troy
 Union
 Union City
 Union Township
 Vandalia
 Washington Township
 West Carrollton
 West Milton
 Xenia
 Xenia Twp
 Yellow Springs

Member

Sara Lommatzsch
 John Agenbroad
 Carol McKeever
 Donald McLaurin
 Peter Jenkins
 Robert Packard
 Dick Debolt
 George Mote
 Jack Shirley
 Joyce Young
 Jack Jensen
 Donald Hamann, Sr.
 Eric Winston
 Richard Montgomery
 Denise Swinger

Alternate

James Weaver, Jr.
 Christine Thompson
 Donald Earnest
 Frank Myers
 Anthony Char
 John Applegate
 Scott Stahl
 Bill Coate
 Hal Hunter
 Gary Huff
 William Gordon
 Marty Gabbard
 John Saraga
 Jon Luttrell
 Tony Arnett

NonGovernmental Members

Ameritech
 Dayton Area Chamber of Commerce
 Dayton Power & Light
 Delphi Automotive Systems
 General Motors
 Issue 9 Group
 League Women Voters
 Mead Corp
 Miami Conservancy District
 Montgomery County Farm Bureau
 Sinclair Community College
 South Metro Reg Chamber of Commerce
 WPAFB

Gregory Sample
 Bryan Bucklew
 Vacant
 Robert Jordan
 Paul Dorsten
 Richard Wright
 Jo Columbro
 Ronald Budzik
 Michael Robinette
 Sarajane Steinecker
 Ned Sifferlen
 Julia Maxton
 Michael Hazen

Toni Perry
 Phillip Parker
 Vacant
 Vacant
 Janell Smith
 Vacant
 Deb Wenig
 Vacant
 Kelly Fackel
 Dale Seim
 Stephan Jonas
 Jack Kindler
 Barry Hatfield

Miami Valley Regional Planning Commission

Board of Directors

Chair:	Richard Montgomery	Xenia Township
First Vice-Chair:	B. Ronald Widener	Miami County
Second Vice-Chair:	Jack Jensen	City of West Carrollton
Immediate Past Chair:	Sally D. Beals	City of Centerville
DARKE COUNTY:	Terry Haworth	Darke County
	John Burkett	City of Greenville
GREENE COUNTY:	Richard Little	Beavercreek Township
	W. Reed Madden	Greene County
	Donald Kolesar	Village of Jamestown
MIAMI COUNTY:	Jerome Hirt, Sr.	Bethel Township
MONTGOMERY COUNTY:	Don Lucas	Montgomery County
	Shirley Omietanski	Miami Township
	Richard Zimmer	City of Dayton
	Jan Vargo	City of Huber Heights
	Jack Shirley	City of Vandalia
PREBLE COUNTY:	Larry Petry	City of Eaton
NONGOVERNMENTAL:	Vacant	Dayton Power & Light Co
	Robert Jordan	Delphi Chassis Systems
	Dr. Ned Sifferlen	Sinclair Community College

Miami Valley Regional Planning Commission

Schedule of Insurance, Legal Counsel, and Key Personnel

Blanket Bond and General Insurance:

<u>Description</u>	<u>Surety</u>	<u>Amount</u>	<u>Period</u>
Blanket Bond Covering All Employees	The Ohio Casualty Insurance Company	\$100,000	01/13/02-01/12/03
Business Personal Property	The Hartford Insurance Company	\$615,000	01/13/02-01/12/03
Computer Equipment	The Hartford Insurance Company	\$200,000	01/13/02-01/12/03
Comprehensive General Liability	The Hartford Insurance Company	\$1,000,000	01/13/02-01/12/03
Valuable Papers	The Hartford Insurance Company	\$250,000	01/13/02-01/12/03
Business Auto Coverage	The Hartford Insurance Company	\$1,000,000	01/13/02-01/12/03
Public Officials & Employees Liability	Cincinnati Intermediaries Company	\$1,000,000	02/03/02-02/02/03

Legal Counsel:

Thompson, Hine and Flory
2000 Courthouse Plaza, Northeast
Post Office Box 8801
Dayton, Ohio 45401-8801

Key Personnel:

Nora E. Lake	Executive Director
Gretchen B. Brafford	Director, Administrative & Support Services
Gary L. Bellotti	Controller

All of the above can be reached at the following address:

Miami Valley Regional Planning Commission
40 West Fourth Street, Suite 400
Dayton, Ohio 45402



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

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
FEBRUARY 4, 2003**