

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR  
FISCAL YEAR ENDED DECEMBER 31, 2004**

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Mid-Ohio Regional Planning Commission  
285 East Main Street  
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**Auditor of State  
Betty Montgomery**

Members of the Governing Board  
Mid-Ohio Regional Planning Commission  
285 East Main Street  
Columbus, Ohio 43215

We have reviewed the Independent Auditor's Report of the Mid-Ohio Regional Planning Commission, Franklin County, prepared by Deloitte & Touche LLP, for the audit period January 1, 2004 to December 31, 2004. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Mid-Ohio Regional Planning Commission is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY  
Auditor of State

August 15, 2005

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# MID-OHIO REGINAL PLANNING COMMISSION

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## **I. INTRODUCTORY SECTION**



# Mid-Ohio Regional Planning Commission

*An association of local governments providing planning, programs and services for the region.*

June 20, 2005

To the Citizens of Central and South-Central Ohio and  
The Honorable Members of the Mid-Ohio Regional Planning Commission

We are pleased to present the Comprehensive Annual Financial Report of the Mid-Ohio Regional Planning Commission ("MORPC") for the year ended December 31, 2004. This report has been prepared by the MORPC finance staff according to generally accepted accounting principles applicable to governmental entities. The management of MORPC is responsible for and affirms the adequacy of the agency's internal accounting control and the completeness of the material presented in this report.

The Comprehensive Annual Financial Report is organized in four major sections as follows:

**Virginia Barney**  
*Chair*

**Michael Cope**  
*Vice Chair*

**Mark Barbash**  
*Secretary*

**Bill Habig**  
*Executive Director*

- I. The Introduction - transmittal letter and information about MORPC's organization, management and the reporting entity
- II. The Financial Section - Independent Auditors' Report, Management Discussion and Analysis, basic financial statements and Supplementary Information.
- III. The Statistical Section - comparative financial information, demographic information and other statistical information.
- IV. The Single Audit Act Section - schedule of expenditures of federal awards and the independent accountant's reports on compliance with laws and regulations applicable to each major program and internal control over financial reporting.

The report will be available on MORPC's website [www.morpc.org](http://www.morpc.org).

The Mid-Ohio Regional Planning Commission was created in 1969 as the successor to the Franklin County Regional Planning Commission under authority granted by Ohio Revised Code Section 713.21. MORPC is a voluntary association of local governments in central and south central Ohio and a regional planning agency whose membership includes 40 political subdivisions in and around Franklin, Ross, Fayette, Delaware, Pickaway, Madison, Licking, and Fairfield counties, Ohio. MORPC is the federally designated Metropolitan Planning Organization "MPO" for the Columbus urbanized area.

The member governments appoint representatives (currently 74) who make up the Commission, the policy-making body of the organization, and the oversight board. MORPC is a political subdivision of Ohio and a non-profit organization exempt from federal income

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tax under Section 501(c)(3) of the Internal Revenue Code. Employees of MORPC are members of the Ohio Public Employee Retirement System.

In accordance with Statement of Governmental Accounting Standards 14, *The Financial Reporting Entity* and GASB 39, *Determining Whether Certain Organizations are Component Units, an Amendment of GASB Statement 14*. MORPC is not considered a component unit of the Franklin County financial reporting entity because:

- MORPC is a separate legal entity, established under Section 713.21 of the Ohio Revised Code (“ORC”).
- Franklin County holds only 13 of 74 seats on MORPC’s governing board.
- MORPC is not fiscally dependent on Franklin County.
- MORPC provides services to members outside of Franklin County.

There are no agencies or organizations, which could be considered potential component units of MORPC.

MORPC’s mission is summarized as follows:

*To enhance the quality of life and competitive advantages of the region by working through local governments and other constituents. Among the Commission’s many purposes are to:*

- 1. Increase and enhance regional partnerships with public and private organizations that affect the quality of life for central Ohio and encourage community participation;*
- 2. Administer and facilitate availability of regional environmental infrastructure program funding to the full advantage of MORPC’s members;*
- 3. Improve the general and economic quality of life of central Ohio residents by enhancing the mobility of people and goods throughout the region;*
- 4. Encourage resource conservation through protection and preservation of our natural environment and natural resources;*
- 5. Develop programs and strategies to improve employee morale and create effective management practices;*
- 6. Improve the quality of life for member communities by improving the housing conditions for residents through housing and weatherization services; encouraging homeownership opportunities; and contributing to the expansion of affordable housing in central Ohio;*
- 7. Promote and support Livability/Sustainability measures as a means of addressing regional growth challenges.*

*MORPC plays an important role in promoting cooperation and building unity among its constituents, serving as a forum for state and local governments on regional issues, and helping to advocate local governments’ interests and needs on the federal and state levels.*



*MORPC continues to recognize and encourage public/private cooperation on a regional basis, and works to build consensus, sound planning practices and realistic decision-making for the future.*

The work program is fully documented in formally adopted semiannual performance/goals/ budget reports and monthly goals reports.

## **MAJOR INITIATIVES, OPPORTUNITIES AND CHALLENGES**

With wide-ranging programs and established relationships around the central Ohio community, MORPC functions not only as a catalyst for change but also as a commission that facilitates the convergence of diverse interests and organizations. This convergence reflects and enables interrelated goals to be achieved while remaining unified in one pursuit – improving the quality of life in central Ohio. MORPC continues taking the initiative to convene the community around the regional issues of the day. Based on demographic projections our region will grow by 573,000 people by 2030, providing many new opportunities and challenges.

### **Fostering Regional Collaboration**

#### **Regional Connections**

MORPC's Regional Connections project is attempting to create a regional growth strategy for the next 20 to 30 years. Creating such a strategy requires central Ohio communities to consider which types of development should be pursued, explore potential fiscal impacts of growth and collect input on preferences for future growth patterns that will shape the region. The need for cooperation is a necessary and recurring theme of Regional Connections.

#### **MORPC's Annual Meeting**

More than 800 community and business leaders attended MORPC's 2004 Annual Meeting. Guest speaker Curtis Johnson, president of the Citistates Group, provided the keynote address that focused on how to build competitive and sustainable metropolitan regions.

#### **Joint Economic Development Task Force**

A group of leaders representing communities in Franklin, Delaware, Fairfield and Union counties was formed in early 2004. The group's purpose is to educate themselves and to determine the best ways to work together for the economic development of the central Ohio region.

#### **Central Ohio Regional Forum**

The Central Ohio Regional Forum ("CORF") meets quarterly to discuss and listen to presentations about current issues impacting the region. One example of the types of issues addressed by CORF was how to assist the efforts to save the 6,000 jobs at stake at Defense Supply Center Columbus ("DSCC").

#### **MOAG & MOFA: Sharing Skills and Expertise**

MORPC provides professional development and networking opportunities for local government finance officers and human resource administrators through the Mid-Ohio Finance Administrators ("MOFA") and the Mid-Ohio Administrators Group ("MOAG") meetings.

## **Enhancing Mobility**

### **New Rickenbacker Development Brings Trains, Trucks and Jobs Together**

By 2006, construction of a new \$65 million intermodal transportation facility at Rickenbacker will be complete and is expected to make central Ohio a Center of Excellence in Advanced Logistics.

The new intermodal rail facility is designed to not only handle the dramatic increase in demand for lower cost shipping options, but also, in concert with air side development already in place, spur additional warehouse and distribution facilities in the area, leading to additional jobs and public benefits.

MORPC is actively participating in the project by providing guidance on appropriately staging development so that the current road network can be enhanced to meet the new demand. By conducting a thoroughfare plan, MORPC will assess and recommend what roads need to be built at what cost and what the development's impact will be on the regional road system.

### **RideSolutions**

MORPC's RideSolutions program provides vanpool/carpool services to employees and employer sites within an 11-county service area (Franklin, Fairfield, Delaware, Licking, Knox, Pickaway, Ross, Fayette, Madison, Union and Marion). The award winning program is designed to assist commuters in getting to work or job training, reducing energy costs, improving air quality and reducing highway maintenance and traffic congestion.

RideSolutions provides computerized ridematching for car and vanpooling, assists employers with assessing employee transportation needs and providing individualized transportation plans, promotes vanpooling services through VPSI (vanpool service provider) and offers a free "Guaranteed Ride Home" program for all registered commuters.

### **Columbus Downtown Circulation Study**

Making downtown Columbus more livable and friendly to pedestrians, residents and motorists is the goal of the Columbus Downtown Circulation Study. Sponsored by the City of Columbus and the Ohio Department of Transportation ("ODOT"), the study seeks to improve the downtown environment and quality of life, while supporting the area's economic development growth, and increasing pedestrian and motorist mobility and safety. The study is looking at the Central Ohio Transit Authority's ("COTA") transit improvements and ODOT's plans for the I-71/I-70 reconstruction, as well as the city's plans for changing the downtown street system to enhance the livability, pedestrian friendliness, and potential bikeway network. The outcome should make downtown Columbus an even better place to live, work and visit.

### **COTA North Corridor Draft Environmental Impact Statement**

Central Ohio continues to experience rapid population and employment growth, placing increasing demands on the transportation system. COTA is evaluating future transit operations including regional bus service expansion and other transit alternatives in heavily traveled corridors. COTA has engaged MORPC to assist with the North Corridor Draft Environmental Impact Statement ("DEIS"), examining transit options in the highest growth corridor in the region. Upon completion of the DEIS, COTA will solicit community comments on the North Corridor transit options.

## **Supporting Development and Growth**

### **Helping the Region Plan for Growth**

MORPC's involvement in supporting development and growth in the region includes convening meetings with various parties and governments, facilitating dialogue to find common ground, conducting studies, providing research and data for decision-making and conducting educational workshops.

## **Preserving and Enjoying Our Environment**

### **Greenways Green Map**

The Greenways Program is designing and developing the Greater Columbus Green Map. Green maps use a "green lens" to focus on the interface between natural and designed worlds. Internationally recognized Green Map icons represent diverse ecologically and culturally significant sites – from museums to parks, hiking and biking trails, and organic food providers to alternative energy use and air quality monitoring sites. Other examples of sites are: recycling centers (including used book and clothing stores), park-n-ride facilities, zoos, streams, watersheds, and wetlands. A Green Map encourages urban dwellers to embrace and support an environmental perspective on their communities.

### **Wetlands Workshop**

The MORPC Greenways staff organized a wetland workshop at Battelle Darby Metro Park. The workshop taught participants how to identify a wetland, determine its quality, review state and federal wetland regulations, and wetland mitigation requirements.

### **Tributary Signage Project**

The backbone of Franklin County's waterways were identified by installing nearly 300 tributary signs on local roads. Each sign identifies the tributary and the watershed. This project was a partnership between MORPC and local communities and watershed groups.

### **Diesel Emissions Subcommittee**

The diesel emissions subcommittee was formed to comprehensively study and provide recommendations about how the region can proactively clean up diesel pollution sources in order to improve local air quality. This effort is the first of its kind in the country.

### **Air Quality**

The air quality committee focuses on developing potential strategies to reduce ozone and particle pollution that would be a good fit for the region. The committee sent a first round of recommendations for ozone reduction strategies to Ohio EPA and will continue to update its recommendations in the coming year as new data becomes available.

### **Clean Air Challenge**

In 2004, U.S. EPA declared that central Ohio failed to meet new, national standards for ozone and particle pollution. The region will have the next 3-4 four years to develop local, preferred strategies to clean up the air. Through the Clean Air Challenge, MORPC and more than 20 local governments, businesses and health organizations teamed up to urge citizens to drive less, refuel their cars in the evening, and alter some other daily activities in an effort to reduce particle and ozone pollution that plague children, the elderly, and those with asthma and heart conditions.

## **Enriching Our Communities**

### **Homeownership Education and Down Payment Assistance**

MORPC provides in-depth financial counseling through its Homeownership Program's Lifeskills Classes and assists families with down payment assistance that enables them to become first time homebuyers. Assistance is also provided to families with special needs (homeless and disabled).

### **Clean Indoor Air Ordinance**

The MORPC Board passed a resolution supporting the Smokefree Columbus Coalition in its effort to put forth a clean indoor air ordinance for the City of Columbus. The resolution also encouraged other MORPC member governments to become educated about the issues of indoor air quality and to consider enacting similar smoke-free ordinances. Central Ohio is moving toward a uniform law that will protect all employee's health and establish a level playing field for all businesses.

### **Ohio Public Works Commission ("OPWC"): Improving Infrastructure**

MORPC works with the local Public Works Integrating Committee ("PWIC") and the OPWC to recommend funding for Franklin County infrastructure projects. Funding can be used to make improvements to local communities' roads, bridges, culverts, water supply systems, wastewater systems, storm water collection systems and solid waste disposal facilities.

### **Weatherization Services**

MORPC provides weatherization services to low-income homeowners with funding from the State of Ohio Home Weatherization Assistance Program ("HWAP") and Columbia Gas WarmChoice program. To improve energy efficiency, MORPC inspects, and weatherizes homes and repairs and replaces furnaces and hot water tanks.

## **MAJOR ACCOMPLISHMENTS OF 2004**

### **Goal 1 – Increase regional cooperation.**

#### **Regional Growth Strategy (Regional Connections)**

MORPC's Seven County Regional Growth Strategy (Regional Connections) project continued throughout the year. A regional land use database was created and is being used by members, planners and developers. This allowed staff to create growth scenarios depicting the region in 2030. The project also included public involvement whereby nine county meetings were held averaging close to 100 participants per meeting. Two seven-county workshops were also held entitled "Where Do We Grow? and How Do We Grow?" A report was published titled "A Fiscal Impact Land Use Report", which was compiled from studies done in individual governmental jurisdictions on different types of land use from residential to industrial. A "Regional Fact Book" was also published providing a baseline of information for the Regional Growth Strategy project and highlighting the increased interrelationships and interdependence of local communities and how change in one community can impact another. The Strategic Research Group conducted a survey for MORPC, by polling 2,100 likely voters, totaling 300 surveys per county. The poll asked quality of life questions based on where they live. Each county was weighted to reflect its percentage of the total population of Central Ohio.

#### **Central Ohio Regional Forum ("CORF")**

Convened quarterly, CORF topics included regional economic development, economic impacts of being out of attainment for air quality; and discussion of the impacts of the Base Realignment and Closure Process of the DSCC facility.

### ITS Planning Program

In 2004 MORPC revised “Central Ohio Regional ITS Architecture”, developed in 1999. This federally mandated plan illustrates how agencies in central Ohio will communicate in the future and share information for better management and operations of the transportation system. MORPC encouraged ODOT and local agencies to co-operate with each other to ensure regional initiatives such as ODOT’s Freeway Management System, COTA ITS development, and regional emergency operations reinforce each other through the architecture. In this vein, MORPC managed the “City of Columbus Computerized Traffic Signal System Assessment and Strategic Plan Development” study that when implemented will coordinate city, county, transit, and state signal system technology and operations.

## **Goal 2 – Improve the regional environment.**

### Air Quality

The Air Quality Committee spent the year focused on researching and selecting potential strategies to reduce ozone and particle pollution that would be a good fit for the region. The committee sent a first round of recommendations for ozone reduction strategies to Ohio EPA and will continue to update its recommendations in the coming year as new data becomes available. Another important action of the committee was the formation of the Diesel Emissions Subcommittee, which is charged with comprehensively studying and providing recommendations about how the region could pro-actively clean up diesel pollution sources in order to improve local air quality. This effort is the first of its kind in the country.

### Air Quality Conformity and State Implementation Plan (“SIP”)

The Transportation Plan was tested to ensure its conformity with the Clean Air Act Amendments of 1991. In May 2004, the conformity determination documentation was completed. In June 2004, Franklin, Delaware, Licking, Madison, Fairfield and Knox Counties were designated as non-attainment for the 8-hour ozone national air quality standard. In addition, in December 2003 Franklin, Delaware, Licking, Fairfield and part of Coshocton Counties were designated non-attainment for PM 2.5. MORPC has been coordinating with OEPA on evaluation of strategies for the SIP development to address the 8-hour ozone and PM 2.5 standards. This includes working with the MORPC air quality committee on these issues. Also, MORPC began work on updating the Transportation Plan conformity determination as required because of the new non-attainment designations.

### Greenways Stream Signage Project

The cities of Gahanna, Dublin, Hilliard, Westerville, New Albany, Columbus, Whitehall, Upper Arlington and Franklin County became partners of the tributary stream signage (at road crossings) project and installed stream signage within their jurisdictions. Greenways staff completed the Scioto and Alum Creek crossing verifications. Staff set up a stream signage subcommittee meeting to verify stream names and layout before sign materials were ordered.

The signs read the name of the stream with the watershed they are a part of underneath (example...Rose Run, Rocky Fork Watershed). This project is an effort to increase awareness, appreciation and stewardship of our local waterways. In addition, the City of Columbus offered to manufacture the signs. A grant from Metro Parks to MORPC’s Greenways Program provided the signage materials. Over 140 stream road crossing locations were identified. An editorial highlighting the tributary stream signage effort was published in *The Columbus Dispatch* on December 24, 2004.

### Green Map

Greenways staff began preparing the design and development of a green map. The Green Map showcases a variety of “green” examples, from businesses that sell green products to parks and other areas of green infrastructure in the region, locations for recycling centers, and donation centers for clothing or other

items. Ten different presentations to various organizations were conducted around the central Ohio area. The map was also taken to 13 community events in order to collect input and rank categories of preference. Information was gathered from the events along with 107 surveys. There are over 1,500 green sites represented by 55 different icons. For consistency and user ease, the icons are the same symbols used on every Green Map around the world. There are three insert specialty maps indicating different drinking water sources, the Greenway Trails and the jurisdictions making up the Greater Columbus area. An icon dictionary is available online by going to [www.GreaterColumbusGreenMap.org](http://www.GreaterColumbusGreenMap.org). Bookmarks were distributed to libraries advertising the website. There will be two versions of the Green Map available; a paper map and an online interactive map. The unveiling of the final paper map will be in April 2005 with the online version becoming available in December 2005. The project ties MORPC to 240 different cities throughout the world. Central Ohio is the only region in the state that has a Green Map.

### **Goal 3 – Reduce regional energy usage.**

#### Car Free Day

Staff organized and participated in the September 22 Car Free Day event with over 200 people in attendance at the state house; *The Columbus Dispatch*, News Channel 4 and *Alive* provided press coverage. COTA's bus bike rack program was featured during the press conference.

#### Clean Air Challenge

MORPC coordinated the efforts of The Clean Air Challenge which is a public action campaign developed by local health organizations, governments and businesses to address poor air quality in the region. The goal of the campaign is to register 10,000 individuals, organizations and businesses to commit to one or more voluntary actions that improve the air quality. For example, commit to carpool with a co-worker, use electric lawn equipment, or walk to the grocery store instead of driving.

### **Goal 4 – Improve regional mobility.**

#### Transportation Plan

The 2030 long range Transportation Plan for the MPO area was completed and adopted in May 2004. This is the major product of the MPO and is required to be updated every three years. The 2030 Transportation Plan identifies the multimodal strategies and transportation projects to be pursued through the year 2030. The development of the 2030 Transportation Plan encompasses the majority of the work of the Transportation Department. It consists of various companion reports and documents prepared over the last three years.

#### Freight Planning Program

In the spring of 2004, the "Central Ohio Freight Fact Book" was released. In co-operation with ODOT, MORPC was able to present a picture of truck flows on central Ohio roadways as well as other useful information about the value of the freight industry to the local economy.

MORPC supported COTA's railroad "Capacity Analysis" to identify bottlenecks in the rail system and how some railroad infrastructure could be removed from the North Corridor to accommodate the addition of Light Rail Transit. To complement this review of specific choke points, MORPC developed a comprehensive 7-county line-by line "Central Ohio Railroad Inventory."

MORPC is actively supporting the community's efforts to create industrial jobs at an Advanced Logistics Hub around the Rickenbacker Airport. In 2004, MORPC aided the Columbus Regional Airport Authority ("CRAA") in securing ODOT TRAC funding for a new roadway to spur development and committed

future MORPC attributable funding to related roads. Additionally, staff is under contract with the CRAA to develop a Rickenbacker Area Thoroughfare Plan to help stage growth, anticipate future roadway improvements, and help CRAA work with local agencies to secure funding for the improvements.

#### Livability/Sustainability Planning

MORPC actively worked with local governments and community stakeholders to promote more efficient use of transportation resources and a variety of sustainable transportation options.

#### North Corridor Light Rail Transit (“LRT”)

MORPC is assisting COTA in developing a LRT project for the North Corridor including supporting the project’s public involvement, preparing portions of the New Starts documents, preparing land use forecasts, supporting COTA’s project traffic engineering efforts, preparing a parking impact study, supporting the travel demand forecasting, and providing much of the funding for the study.

#### Pedestrian and Bicycle Planning (Routine Accommodation)

MORPC continues to support the construction of bicycle and pedestrian facilities. In 2004, MORPC adopted a new policy to require inclusion of these facilities on projects using MORPC Attributable Funding.

#### Mobility Management

MORPC participated in the new Mobility Management Advisory Board created by COTA. The Board’s role is to offer guidance to COTA’s Mobility Management program which aims to serve the general public with a full range of transportation alternatives to the single occupant vehicle. In addition, the MORPC RideSolutions program contracted with COTA to manage its Sedan Voucher program.

#### Major Freeway Studies

MORPC continued to work with ODOT on major freeway studies such as the I-70/I-71 Innerbelt Major Investment Study, the North Central Outerbelt Study and the Far East Freeway Study. MORPC continued to perform and manage the consultant on the I-270/US 33 Northwest Freeway Study.

#### Community Involvement

MORPC meets regularly with local governments keeping them abreast of development and transportation issues throughout central Ohio. In 2004, MORPC met with cities, counties, major villages and townships. In addition to specific planning undertaken by MORPC, staff is available to participate in the studies of member governments.

#### Data Sharing and Technical Data

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

#### Model Improvement Study

Using consultants, MORPC completed development of new state-of-the-art regional travel demand models in 2004. It is one of only a few such installations in the country.

#### Ride Solutions

MORPC provided ongoing ride solutions to businesses and commuters with 760 confirmed carpools and 38 vans on the road. MORPC’s RideSolutions program was featured on U.S. EPA’s “best practices” website.

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

### Five Year Forecasts

Land-use forecasts were developed in five-year increments between the years 2000 and 2030 using elements from the new MORPC land-use model.

### Educating Members

MORPC partnered with the Ohio State University (“OSU”) with Americans Disability Act (“ADA”) Coordinator to offer a free networking and educational session at the 2004 OSU ADA Conference. The conference session brought together the local government staff responsible for ADA issues to meet each other, learn about basic ADA issues pertaining to local governments and create an ongoing communication tool for exchange of ideas, questions, problems and solutions.

As a service to our members, MORPC purchased a series of teleconferences from the American Planning Association that offer training on various planning-related topics. The 2003-2004 seminar series consisted of the following topics: Context Sensitive Street Design; Strategic Management for Planning Agencies; Green Infrastructure; Smart Growth Codes; Zoning Clinic; Suburban Place Making; Land Use, Planning and Environmental Law for Planners and Planning Officials.

### Downtown Columbus Circulation Study

In late 2003, MORPC began a study of the downtown Columbus street system sponsored by the City of Columbus and ODOT. The study resulted from the City’s goals to make downtown more livable as expressed in several downtown district plans and how to accomplish this within the combined impact on downtown traffic of various downtown transportation projects (such as light rail and the I-70/I-71 innerbelt proposal). Working with an advisory group, the study drafted recommendations that strike a balance between creating an atmosphere that is attractive and inviting, while providing reasonably convenient access and parking. Recommendations included converting some one-way streets to two-way, narrowing some streets and identifying other street features to encourage pedestrian and bicycle travel.

### Linden Area Traffic Management Study

The City of Columbus contracted MORPC to analyze traffic data, observe pedestrian activity, conduct community workshops with neighborhood leaders and area residents, perform a walk audit and identify preferred strategies to slow traffic in the Linden area, an older Columbus neighborhood. The result was an overall traffic management plan for the Linden area that included various strategies to calm the driving environment, and thereby improve motorist behavior and overall safety of the Linden neighborhood.

### Other Studies

In 2004, staff performed special studies or traffic projections such as for the Sawmill Parkway extension study, follow-up work in the Hayden Run area and other small growth rate or spot future traffic projection requests.

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

### Transportation Improvement Program (“TIP”)

During 2004, updates of the TIP commenced. Applications for MORPC-attributable funds were solicited from members, they were evaluated and recommendations for project awards and schedules were prepared. MORPC continued to coordinate with local governments and ODOT to advance transportation improvements through ODOT’s Project Development Process. These included: Diley Road, Roberts Road, Norton Road, Alum Creek Drive, Hilliard-Rome Road, Hard Road, Morse Road/US 62, US 40/Main Street, Wesleyan Bikepath, SR 256/I-270, and Columbus bus stop sidewalks project.



### Central Ohio Priorities for ODOT's Major New Funding Program/Transportation Review Advisory Council

Working with project applicants including ODOT, members, and the Chamber of Commerce, MORPC established regional priorities to be considered in the TRAC's evaluation of central Ohio projects. MORPC also facilitated a central Ohio presentation to TRAC about the projects.

### Support for Ohio Public Works Commission ("OPWC") District 3

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

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

### Transportation Legislation

Major federal and state legislation which affects ODOT's and MORPC's ability to make improvements in central Ohio continued to be monitored and reported to the members. This included TEA21 reauthorization, federal transportation appropriations, making the highway trust fund whole with regards to ethanol fuels, and the ODOT budget.

### Local Government Fund

In December, staff prepared an analysis of potential cuts to the Local Government Fund for the seven county region and a survey of members to determine necessary local cuts to make up the difference, and coordinated the research and legislative response with other local government organizations affected by the cuts.

### Mid-Ohio Finance Administrators ("MOFA")

MORPC hosted meetings for the MOFA with topics such as Property and Liability Insurance in the Public Sector and Ohio Ethics Laws.

## **Goal 8 – Conduct analyses of public policies affecting members.**

### First Suburbs

Staff worked with Central Ohio First Suburbs Consortium in partnership with the University of Toledo to facilitate an initial organizing meeting of Toledo first ring suburbs.

### Ohio First Suburbs Consortium

Staff initiated discussions with national organizations APA, IEDC and NLC to work on an amicus brief on eminent domain to be presented to the U.S. Supreme Court. The purpose of the brief is to discuss the issue of eminent domain and the need for flexibility to use eminent domain, for economic redevelopment purposes specifically for mature communities.

## **Goal 9 – Improve member satisfaction.**

### Mid-Ohio Administrators Group ("MOAG")

MORPC conducted informational meetings for the MOAG. Topics included the Ohio Ethics Law and Effectively Managing Change.

### Annual Salary Survey

MORPC conducted the annual salary survey and provided the information to members.

### Transportation Plan Summary

The Transportation Plan Executive Summary booklet was released to the public in the fall. It was mailed to over 7,000 people and over 1,000 copies were distributed to libraries and other agencies in the region.

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

#### Rehabilitation

Franklin County Single Family Rehabilitation-Completed 11 units

Columbus Compact Rehab-Completed 10 units

Ross County CHIP- Single Family Rehab- Completed 5 units

Home Repair-Completed 12 units

DPA with Rehab-Completed 3 units (DPA only)

Marysville CHIP- Home Repair-Completed 7 units

DPA with Rehab-Completed 1 unit (DPA only)

Chillicothe CHIP-Home Repair-Completed 8 units

Delaware D-CHIP-Completed 5 units

#### Homeownership Education and Down Payment Assistance

In 2004, 239 clients were counseled through the homeownership education classes. One-on-one counseling was provided for 136 clients. The program graduated 175 people from education classes.

#### Down Payment Assistance

Two down payments were provided by Federal Home Loan Bank Affordable Housing Program. HSBC assisted with 28 down payments and Temporary Assistance to Needy Families provided assistance with eight.

#### Housing Advisory Board

The board reviewed and approved four applications for \$25,840,000 in mortgage revenue bonds to develop 526 units of affordable rental housing.

### **Goal 11 – Administer weatherization programs for low income residents.**

The Home Weatherization Assistance Program completed 120 home visits and weatherized 142 units.

The WarmChoice Program completed 326 inspections and made 274 furnace repair/replacements.

### **Goal 12 – Increase agency revenue.**

#### Ridepro Statewide Ridesharing Host Proposal

Staff arranged to provide host services for a ride matching software data program used by MORPC's RideSolutions department and other regional councils in Ohio. The IT&S Director spoke at the June 3 Ohio Ozone and Rideshare Group meeting to explain MORPC's hub proposal. Staff encouraged other rideshare agencies in Ohio to coordinate with MORPC. MORPC hosts the database software hub for each

agency using the same software. An agreement was made between MORPC, Ohio-Kentucky-Indiana Regional Planning Commission, Miami Valley Regional Planning Commission and Toledo Metropolitan Area Council of Governments.

**Goal 13 – Make the agency more competitive.**

Consistent effort was maintained to control or lower agency indirect costs and the indirect rate charged to all funding sources. The actual indirect cost rate for calendar year 2004 was .38% higher than 2003, but significantly lower than the peak rate of 65.78% in calendar year 2000.

**Goal 14 – Improve staff operations and productivity.**

Computer Services

MORPC updated servers, anti-virus software and installed automatic software updates on agency computers.

American Association of Retired Persons (“AARP”)

MORPC hosted two individuals from the AARP intern program. The interns worked 20 hours per week for Housing and Weatherization. They were paid by AARP.

Employee Assistance Program (“EAP”)

MORPC sponsored four EAP wellness programs on effectively managing change, coping with conflict, cultural diversity and performance enhancement.

**Goal 15 – Maintain and expand community and intergovernmental partnerships.**

Council of Downtown Districts

MORPC convened the Council of Downtown Districts covering topics such as: Columbus State Community College; Columbus College of Art and Design; Whittier Peninsula Project; city projects and downtown housing projects; bikeways and trails projects; the COTA bike and bus program; the Buggyworks project; and Short North improvements.

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

Annual Meeting

A successful annual meeting was held which attracted 800 attendees from around the central Ohio region.

Transportation Public Involvement

Public involvement was conducted for the regional transportation planning process and projects. Vehicles included the Citizen Advisory Committee, Transportation Advisory Committee, special project committees, mailings, press releases, web site, an open house and popular summary for the Transportation Plan (distributed to over 7,000), and preparation of premier issue of the transportation department newsletter: *Transportation Connections*.

Regional eSource

The *Regional eSource* was published throughout the year. Many positive comments were received about this e-news source. *Air Mail* was also initiated: an e-news on air quality issues that is periodically updated for subscribers of air alerts.

## **KEY GOALS FOR 2005**

### **Regionally-Focused**

- Goal 1 - Increase regional cooperation.
- Goal 2 - Improve the regional environment.
- Goal 3 - Reduce regional energy usage.
- Goal 4 - Improve regional mobility.

### **Planning for Local Governments**

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

### **Infrastructure Programming**

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

### **Services to Members**

- Goal 7 - Provide legislative support and information to local governments.
- Goal 8 - Conduct analyses of public policies affecting members.
- Goal 9 - Improve member satisfaction.

### **Direct Services to People**

- Goal 10 - Administer housing rehabilitation and homeownership programs for low-income residents.
- Goal 11 - Administer weatherization programs for low-income residents.

### **Agency Operations**

- Goal 12 - Increase agency revenue.
- Goal 13 - Make the agency more competitive.
- Goal 14 - Improve staff operations and productivity.

### **Community Relations**

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

## **ECONOMIC CONDITION AND OUTLOOK**

The strong economy in central Ohio is anchored by the City of Columbus, which is the only major city in the northeast quadrant of the country to have grown continuously since 1970 and is the 15<sup>th</sup> largest city in the United States, per the 2000 census. The City of Columbus is one of the largest cities in the United States with an AAA bond rating from Standard & Poor's Corporation and an Aaa rating from Moody's Investors Services, Inc. Franklin County also enjoys these highest bond ratings.

Unemployment rates for, 2001, 2002, 2003 and 2004 were as follows:

	2001	2002	2003	2004
United States	4.7%	5.8%	6.0%	5.5%
Ohio	4.3%	5.7%	6.1%	6.1%
Central and south-central Ohio	2.9%	4.5%	4.9%	5.1%

The employment outlook for central and south central Ohio has been and remains better than the state and the nation as a whole despite the current economic slowdown

Total membership stands at 40 local governments and interest in membership is continuing to be expressed by other governments, indicating prospects for further geographical growth. Revenue from federal contracts accounted for 56.2% of MORPC's 2004 total revenue. Federal revenues are expected to remain stable in the future.

Revenues from contracts with utility companies are also expected to be stable in the near term. MORPC's total 2004 revenue increased by 5.4% to \$7,543,899. The 2005 operating budget is \$8,433,000, which is a 11.8% increase over 2004 actual.

## FINANCIAL INFORMATION

**DISCUSSION OF CONTROLS:** MORPC adopts its annual appropriated budget in December for the following year and makes a mid-year revision each July. Budgetary control is maintained using the following appropriation accounts:

- Personal service
- Materials and supplies
- Services and charges
- Capital outlays
- Debt service
- Other financing uses

A more detailed level within each appropriation is accounted for and reported internally and at the Administrative Committee level. The budget and appropriations are adopted by resolution of the MORPC Commission. The Commission has delegated to its Administrative Committee the authority to transfer amounts among the appropriation accounts within the total appropriated. The Administrative Committee must report any such actions at the next Commission meeting.

MORPC operates like a consulting business, with nearly 90 percent of its revenue received under actual cost reimbursement contracts or the fixed price, non-profit home weatherization contracts. As a result of this funding structure, MORPC accounts for its operations as a single enterprise fund, following generally accepted accounting principles ("GAAP") on the accrual basis. The budget is also developed on the GAAP basis and is detailed in six-month periods by each contract or other source of funds, and includes only those amounts estimated to be earned during the budget period. MORPC's computerized financial information system performs budgetary control and activity-based cost accounting in order to manage the

financially critical task of staying within budget for each contracted activity. GAAP financial statements and comprehensive budget-to-actual performance reports, with explanations of major variances, are presented to management monthly.

The Administrative Committee authorizes each individual contract and expenditure in excess of \$50,000 if the expense is included in the current budget. For contracts or expenditures not included in the current budget, the Administrative Committee must authorize the item if the expense is in excess of \$20,000, and the full Commission if it is in excess of \$50,000. A myriad of financial status reports are periodically submitted to grantors according to their requirements. The county auditor also insures that all expenditures are within amounts appropriated by MORPC.

Numerous accounting and administrative controls exist to assure compliance with federal and state laws, applicable regulations such as OMB Circulars A-102 and A-87, the terms and conditions of the many contracts, as well as the Commission's own adopted policies and procedures, which are periodically reviewed and updated. The auditors' report on internal controls begins on page 59 of this report and discloses no condition considered to be a material weakness.

**PROPRIETARY OPERATIONS:** As discussed above, MORPC is a governmental nonprofit voluntary association of local governments, operating like a consulting business and treated as a single enterprise for accounting, budgetary and financial presentation purposes.

It is MORPC's policy to charge user fees to organizations and individuals who contract for or request the services and products of MORPC staff. The user fees are established and calculated on a 100 percent actual cost recovery basis, including capital costs, in conformance with MORPC's activity-based, federally-negotiated, organization-wide cost allocation plan.

The financial statements have been prepared following Governmental Accounting Standards Board ("GASB") Statement No. 34, "*Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.*" As part of the new reporting model, management is responsible for preparing a Management's Discussion and Analysis of the Commission. This discussion follows the Independent Auditor's Report, providing an assessment of the Commission finances for 2004.

Members participate in the funding of MORPC on a per-capita basis at rates determined by the MORPC board each year. Members' per-capita fees totaled \$600,235 in 2004 with \$512,771 used in the operating budget and \$87,463 restricted for capital building expenditures. Other revenues flow from contracts for specific services to be rendered on an actual cost basis with no provision for profit. Costs are allocated in accordance with policies and procedures specified by OMB Circular A-87 using a single organization-wide cost allocation plan for which U.S. Department of Transportation is the oversight agency. MORPC received \$4,242,481 or 56.2% of its 2004 revenue, from federal sources under actual cost reimbursement contracts directly with the federal government or indirectly under contracts with third parties, principally Franklin County and the State of Ohio.

The following is a summary of comparative results of operations and the 2005 budget:

	2003 Actual	2004 Actual	2005 Budget
<b>Revenues:</b>			
Federal contracts	\$3,999,332	\$4,242,481	\$4,762,600
State grants and contracts	560,699	635,900	691,500
Member's per-capita fees	494,136	512,771	523,800
Utility contracts	1,142,415	1,052,180	1,123,000
Other local contracts	829,689	932,770	1,284,200
Foundation/Corporate Contributions	132,730	167,797	47,900
<b>Total Revenue</b>	<b>7,159,001</b>	<b>7,543,899</b>	<b>8,433,000</b>
<b>Expenses:</b>			
Salaries and benefits	4,090,090	4,170,754	4,448,100
Consultants and subcontracts	1,735,733	2,216,197	2,661,000
Depreciation	167,350	143,446	144,000
Other expenses	1,187,606	1,047,237	1,230,000
<b>Total Expenses</b>	<b>7,180,779</b>	<b>7,577,634</b>	<b>8,483,100</b>
<b>Operating Income (Loss)</b>	<b>(21,778)</b>	<b>(33,735)</b>	<b>(50,100)</b>
<b>Capital Contributions</b>	<b>73,128</b>	<b>90,328</b>	<b>94,600</b>
<b>Net Increase in net assets</b>	<b>51,350</b>	<b>56,593</b>	<b>44,500</b>
<b>Capital expenditures</b>	<b>\$49,189</b>	<b>\$118,941</b>	<b>\$215,000</b>

The Operating Loss in 2004 was \$33,735 and includes total depreciation expense of \$143,446, of which \$34,466 was related to contributed assets.

MORPC completed 2004 with an increase in net assets of \$56,593, including contributed capital. Total capital contributions of \$90,328 in 2004 includes \$87,463 in contributions to the building fund, and \$2,865 in contributed assets. Members' per-capita fees of \$512,771, used in the operating budget, were leveraged by a factor of 14.7 to 1 to bring in total revenues of \$7,543,899. Total federal revenue increased \$243,149 or 6.1% primarily due to increased activity on transportation planning projects. Total state revenue increased by \$75,201, or 13.4%, also due to increased activity on transportation projects. Utility company revenue decreased by \$90,235 in 2004 and is projected to return to 2003 levels in 2005. Total staff salaries and benefits increased by \$80,664 or 2.0% from the prior year, directly related to staff wage increases of approximately 3.0% offset by a small reduction in staff size. Consultants and subcontractors expense increased by \$480,464 or 27.7%, primarily due to transportation subcontracts for special studies for the City of Columbus.

Overall, 2004 operating revenue increased \$384,898 or 5.4% from the prior year. Revenue is budgeted to increase by \$889,101 or 11.8% in 2005. Total Operating Revenue was under budget by \$771,101 or 9.3% of the budget of \$8,315,000. The following programs were under budget by \$100,000 or more:

	<b>Amount Under</b>
Transportation	\$585,496
Housing and Community Development	<u>158,150</u>
<b>Total</b>	<b><u>\$743,646</u></b>

Funding for the above programs was under contract and available to be earned. Staffing levels, however, were lower than available direct labor budgets and subcontractor work was significantly lower than anticipated in these programs, resulting in earned revenue below budget.

Capital expenditures for equipment, vehicles and software systems in 2004 totaled \$118,941 of which \$2,865 was funded by grantors (contributed capital). Total depreciation expense was \$143,446 and net capital assets at year-end, net of related debt were \$1,082,246.

MORPC's cash balance at year end increased from \$1,938,177 to \$2,374,361.

**BUILDING LEASE:** MORPC leases an office building from Franklin County under a cancelable operating lease requiring rental payments sufficient to meet the principal and interest payments necessary to retire debt issued by Franklin County to finance the cost of the office building. The debt was retired in 2001. MORPC now has the option to purchase the building for \$1, but has delayed doing so in order to preserve a mechanism to finance a major expansion. Prepayments of building rent earn interest income, which defrays MORPC's future rent expense. MORPC had prepaid rent of \$43,570 at December 31, 2004, which will be written off as an operating expense over the remaining life of the lease, which ends in 2006. Since occupying the building in 1982, MORPC has made leasehold improvements totaling \$391,789. An additional \$765,874 has been paid to Franklin County under the lease in anticipation of future improvements.

**TRUST for benefit of MORPC - HOPE 3:** A trust for the benefit of MORPC was created in 1995 to hold title to houses and otherwise facilitate the implementation of the federal Home Ownership for People Everywhere ("HOPE3") program. Assets totaling \$391,572, at December 31, 2004 were held by the trustee, are controlled by MORPC and have been included on MORPC's balance sheet. HOPE 3 mortgage notes receivables of \$269,123 are however, expected to be forgiven over time. No properties were held at December 31, 2004.

**CASH MANAGEMENT:** As required by Ohio Revised Code Section 713.21, MORPC deposits all receipts with the Franklin County treasurer. Disbursements are made by the Franklin County auditor, based upon vouchers presented by MORPC. As part of the federal HOPE 3 program, Firststar Bank held \$122,449 in trust for the benefit of MORPC. MORPC has no other cash accounts and does not receive interest income on its cash balances.

**RISK MANAGEMENT:** A schedule of insurance policies covering identifiable risks is provided on page 54 through 55. Claims and losses have been relatively insignificant. MORPC does not engage in risk financing activities where it retains the risk, i.e., self-insurance.

**INDEPENDENT AUDIT:** The financial statements are presented annually for independent audit in accord with Ohio Revised Code Section 115.56 and OMB Circular A-133. The report of the independent auditors, Deloitte & Touche LLP, is included in the financial section of this report and is unqualified.



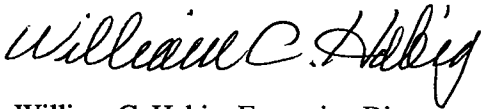
**CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING:** The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Mid-Ohio Regional Planning Commission for its comprehensive annual financial report for the fiscal year ended December 31, 2003. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The Mid-Ohio Regional Planning Commission has received a Certificate of Achievement for the last sixteen consecutive years. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

**ACKNOWLEDGMENTS:** The timely preparation of this report could not have been accomplished without the cooperation and dedicated services of Susan Tsen, MORPC Accounting Manager and Deloitte & Touche LLP, the independent auditors. We would like to express sincere appreciation to all those who assisted and contributed to its preparation. Appreciation is also extended to the MORPC Administrative Committee and officers for their interest and support in planning and conducting the financial operations of MORPC in a responsible and professional manner.

Respectfully submitted,



William C. Habig, Executive Director



Carl R. Styers, CPA, Finance Director



## REGIONAL PLEDGE

### Regional Pledge

#### *Preamble:*

We acknowledge that the people who live and work in the mid-Ohio area form a single community and are bound together physically, economically, and socially. We further acknowledge and respect each community's uniqueness and value that diversity.

#### **WE PLEDGE:**

- To encourage and support a spirit of cooperation among the local governments in a manner that will protect the rights of the individual local governments.
- To involve neighboring communities in developing plans and to share those plans with the entire regional community when adopted.
- To plan for redevelopment and future development so that:
  - a. Transportation systems can meet future needs.
  - b. Adequate street, utility, health, educational, recreational, and other essential facilities can be provided as growth occurs.
  - c. The needs of agriculture, business, and industry are recognized.
  - d. Safe and healthful surroundings in residential and commercial areas are provided.
  - e. Historical, cultural values, and critical natural resources are preserved.
  - f. There is an efficient and economical use of public funds.
  - g. Reinvestment can occur in mature communities.
- To actively participate in a regional planning process and to guide the unified, far-reaching development of the region.
- To support and promote concerted action (collaboration) among the local governments for their mutual benefit and for the welfare of the region as a whole.
- To join and cooperate with other communities to insure the efficient delivery of public services for the health, safety and general welfare of all citizens in the region.
- To identify areas where regional solutions, principles, and approaches can serve all communities regardless of community demographics, boundaries, diversity or differences.
- To encourage collaborative economic development initiatives within the region.

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Mid-Ohio

Regional Planning Commission

For its Comprehensive Annual

Financial Report

for the Fiscal Year Ended

December 31, 2003

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



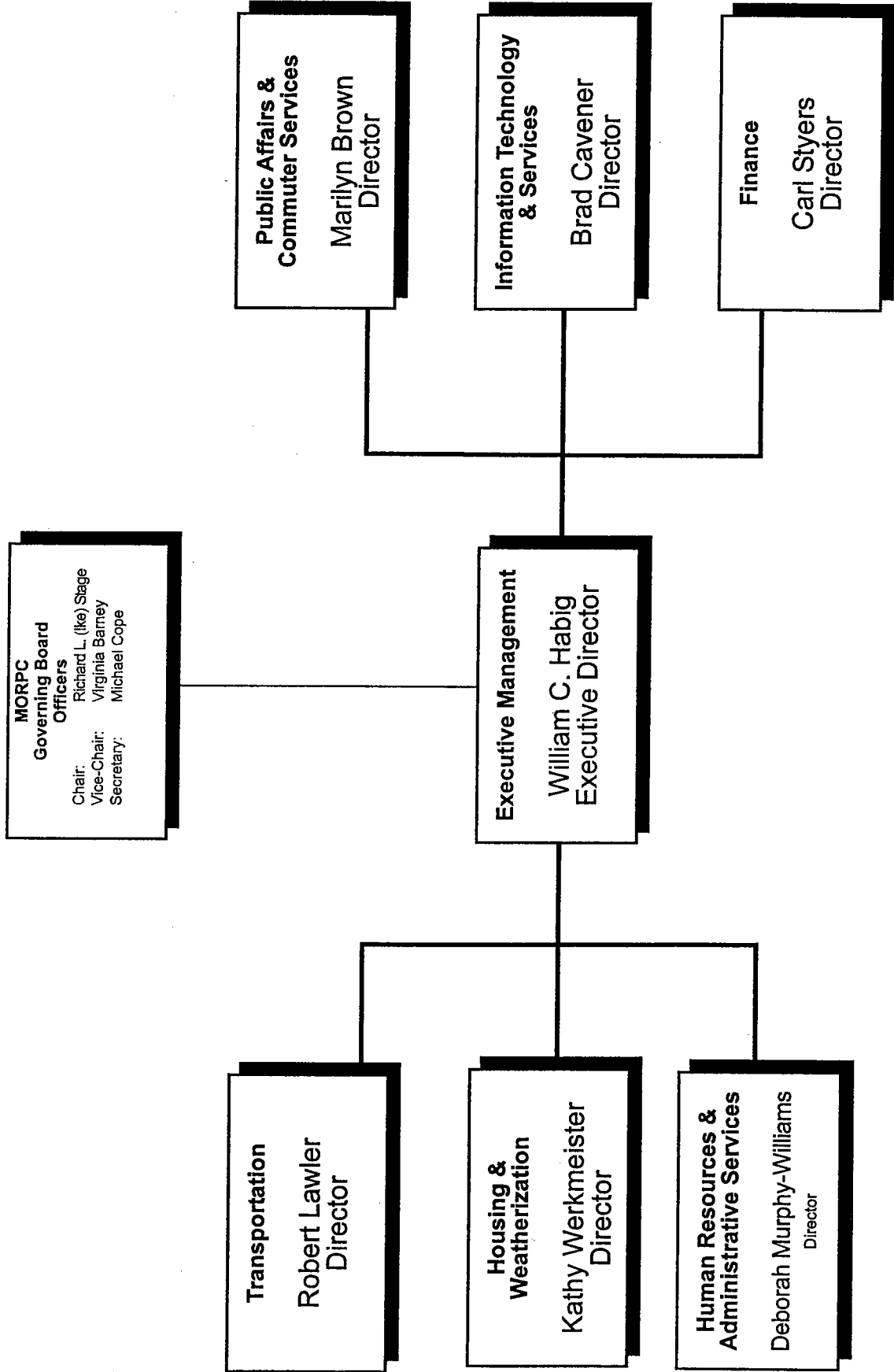
*Nancy L. Zjelke*

President

*Jeffrey R. Enos*

Executive Director

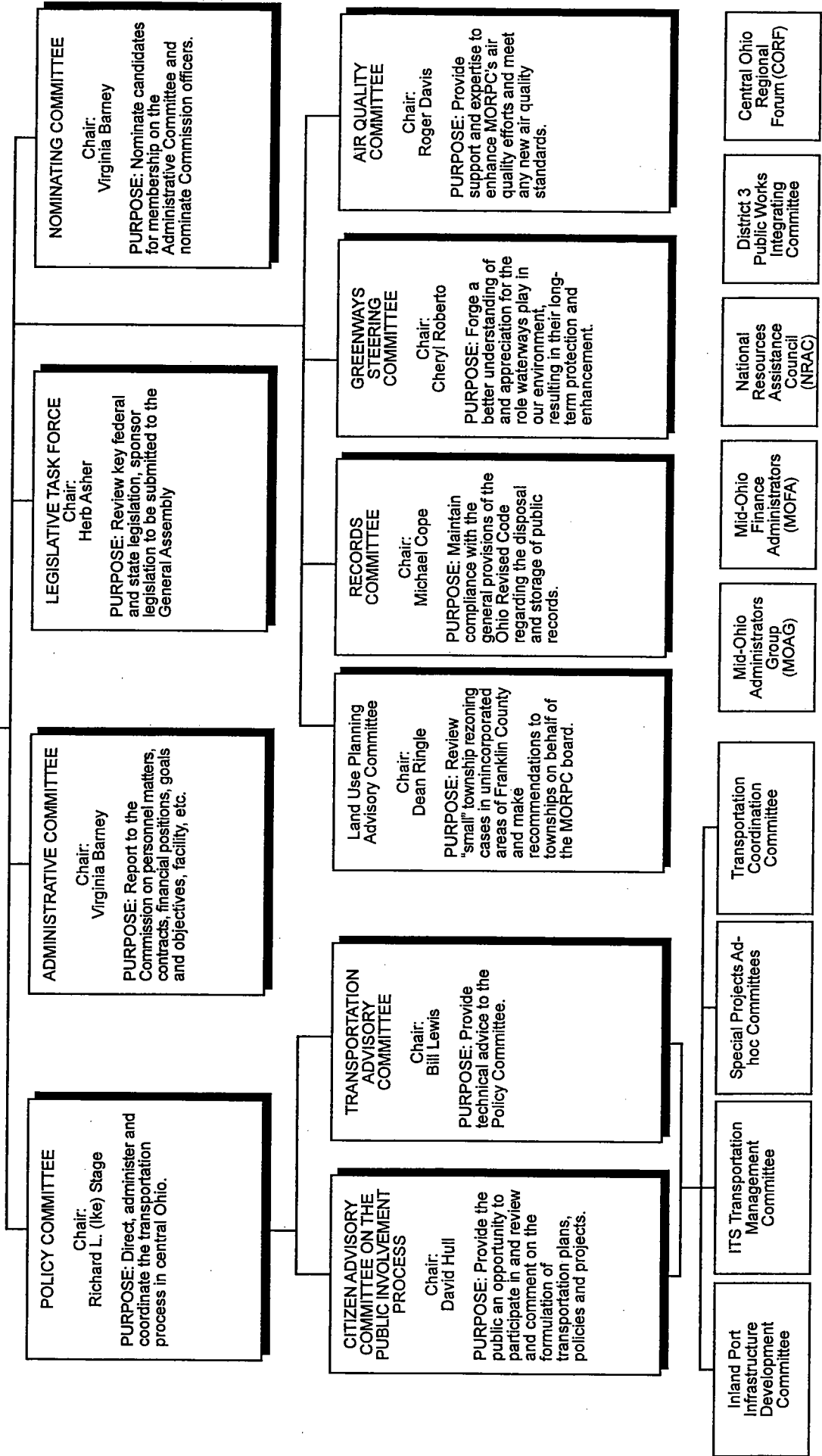
**MID-OHIO REGIONAL PLANNING COMMISSION**  
**Organizational Chart - Staff**  
**As of December 31, 2004**



# MID-OHIO REGIONAL PLANNING COMMISSION

## As of 12/31/04

**OFFICERS**  
 Chair: Richard L. (Ike) Stage  
 Vice-Chair: Virginia Barney  
 Secretary: Michael Cope



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## **II. FINANCIAL SECTION**

## INDEPENDENT AUDITORS' REPORT

To the Members of  
Mid-Ohio Regional Planning Commission:

We have audited the accompanying statements of net assets of Mid-Ohio Regional Planning Commission ("MORPC") as of December 31, 2004 and 2003, and the related statements of revenues, expenses, and changes in net assets, and of cash flows for the years then ended. These financial statements are the responsibility of MORPC's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the respective financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of MORPC's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the respective financial statements, assessing the accounting principles used, and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In opinion, such financial statements present fairly, in all material respects, the financial position of MORPC as of December 31, 2004 and 2003, and their changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1 to the financial statements, in 2004, MORPC adopted Governmental Accounting Standards Board ("GASB") Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*.

The management's discussion and analysis on pages 27–30 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. This supplementary information is the responsibility of MORPC's management. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit such information and we do not express an opinion on it.

Our audit was conducted for the purpose of forming an opinion on MORPC's basic financial statements. The Introductory Section on pages 1–24, Supplementary Information on Pages 43–50, and the Statistical Section on pages 51–58 are presented for purposes of additional analysis and is not a required part of the financial statements. This supplementary information is the responsibility of MORPC's management. The Supplementary Information on pages 43–50 has been subjected to the auditing procedures applied by us



in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Introductory Section on pages 1–24 and the Statistical Section on pages 51–58 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2005 on our consideration of internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*Deloitte & Touche LLP*

June 20, 2005

## MID OHIO REGIONAL PLANNING COMMISSION

### MANAGEMENT DISCUSSION AND ANALYSIS YEAR ENDED DECEMBER 31, 2004

The following Management's Discussion and Analysis ("MD&A") provides an overview of the Mid-Ohio Regional Planning Commission's ("MORPC") financial performance and provides an introduction to the financial statements for the years ended December 31, 2004 and 2003. The information contained in the MD&A should be considered in conjunction with the information presented in the MORPC's financial statements and corresponding notes to the financial statements.

#### Financial Highlights

- Net assets increased by \$56,593. The goal of the MORPC is to provide the maximum level of service to MORPC members within available funding, while achieving a small increase in net assets each year. The 2004 increase in net assets was .75% of total revenue.
- Revenue in 2004 increased by \$384,898 to \$7,543,899 the highest total revenue in the history of MORPC. The revenue increase was primarily to fund increased subcontractor pass through costs, which were the highest in the past ten years.
- Cash on hand at December 31, 2004 was \$1,608,487. The highest year end cash balance in the history of MORPC. Faster invoice processing in 2004 reduced the accounts receivable balance at year end and accounted for the increase in cash.
- Cash contributed by member governments and designated by the board for building improvements and expansion increased by \$73,062 to \$765,874. This cash is available for planned and unplanned building expenditures.
- MORPC had an operating loss of \$33,735. This loss includes total depreciation expense of \$143,446, of which \$34,466 was related to contributed assets.
- In 2004 MORPC adopted the provisions of GASB Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments*.

#### Overview of the Financial Statements

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

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

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

**Statement of Revenue, Expenses and Changes in Net Assets** – This statement measures the success of operations and can be used to determine whether MORPC successfully recovered all of its costs through

Federal, State of Ohio, local government and utility company contracts, members' per capita fees and other contributions and revenues.

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

**Financial Position**

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

**Condensed Statement of Net Assets**

	2004	2003	Dollar Change	Percent Change
<b>ASSETS:</b>				
Current assets	\$2,456,711	\$2,421,043	\$ 35,668	1.5 %
Noncurrent assets	<u>2,304,255</u>	<u>2,161,580</u>	<u>142,675</u>	<u>6.6</u>
Total assets	<u>\$4,760,966</u>	<u>\$4,582,623</u>	<u>\$ 178,343</u>	<u>3.9 %</u>
<b>LIABILITIES:</b>				
Current liabilities	\$1,275,719	\$1,274,431	\$ 1,288	0.1 %
Noncurrent liabilities	<u>811,665</u>	<u>691,203</u>	<u>120,462</u>	<u>17.4</u>
Total liabilities	<u>\$2,087,384</u>	<u>\$1,965,634</u>	<u>\$ 121,750</u>	<u>6.2 %</u>
<b>NET ASSETS</b>				
Invested in Capital Assets, net of related debt	\$1,082,246	\$1,102,283	\$ (20,037)	(1.8)%
Unrestricted	<u>1,591,336</u>	<u>1,514,706</u>	<u>76,630</u>	<u>5.1</u>
Total net assets	<u>\$2,673,582</u>	<u>\$2,616,989</u>	<u>\$ 56,593</u>	<u>2.2 %</u>

**Current assets** increased by \$35,668 (1.5%) over last year primarily due to cash contributions by members for building repairs and replacements and due to more timely collection of accounts receivable.

**Noncurrent assets** increased by \$142,675 (6.6%) primarily due to mortgage notes receivable issued by the housing rehabilitation program, offset by a reduction in net capital assets and amortization of the prepaid building fund.

**Noncurrent liabilities** increased by \$120,462 primarily due to increases in unearned federal revenue from mortgages from the housing rehabilitation program. The mortgages carry with them a liability to the federal agency that provided the original funding.

**Net assets invested in capital assets, net of related debt** decreased by \$20,037. Depreciation on capital assets for the year exceeded acquisitions. Capital related debt is just \$1,854 and will be paid off in 2005.

**Unrestricted net assets**, the part of net assets that can be used to finance day-to-day operations without external constraints, increased by \$76,630 due to contributed capital by members for building repairs and replacements. These contributions are board restricted for this purpose.

**Condensed Statement of Revenues, Expenses and Changes in Net Assets**

	2004	2003	Dollar Change	Percent Change
<b>REVENUE:</b>				
Federal	\$ 4,242,481	\$ 3,999,332	\$ 243,149	6.1 %
Nonfederal	2,081,441	1,884,524	196,917	10.4
Foundations/Corporations	167,797	132,730	35,067	26.4
Utility company	<u>1,052,180</u>	<u>1,142,415</u>	<u>(90,235)</u>	<u>(7.9)</u>
<b>Total revenues</b>	<u>7,543,899</u>	<u>7,159,001</u>	<u>384,898</u>	5.4
<b>EXPENSES:</b>				
Salaries and benefits	4,170,754	4,090,090	80,664	2.0
Consultants and subcontracts	2,216,197	1,735,733	480,464	27.7
Depreciation	143,446	167,350	(23,904)	(14.3)
Other expenses	<u>1,047,237</u>	<u>1,187,606</u>	<u>(140,369)</u>	<u>(11.8)</u>
<b>Total expenses</b>	<u>7,577,634</u>	<u>7,180,779</u>	<u>396,855</u>	5.5
<b>OPERATING LOSS</b>	(33,735)	(21,778)	(11,957)	(54.9)
<b>NONOPERATING LOSS</b>		(11,425)	11,425	100.0
<b>CAPITAL CONTRIBUTIONS</b>	<u>90,328</u>	<u>84,553</u>	<u>5,775</u>	<u>6.8</u>
<b>INCREASE IN NET ASSETS</b>	<u>\$ 56,593</u>	<u>\$ 51,350</u>	<u>\$ 5,243</u>	<u>10.2 %</u>

**Operating revenues** increased by \$384,898 over the prior year (5.4%). MORPC contracted with the City of Columbus in 2003 to perform two major transportation studies for the city; a downtown circulation study and a signal system audit. The major portion of the work for these studies, funded with federal, state and local dollars, occurred in 2004.

**Operating expenses** increased by \$396,855 (5.5%). Salaries and benefits expense increased due to wage increases and increased fringe benefits costs, particularly health insurance. The increase in salaries and benefits costs was partially offset by a reduction in staff size of 3.6 full time equivalent employees. Consultant subcontracts were used for the major portion of the two transportation studies for the City of Columbus, noted above. Other expenses decreased due to elimination of a program that provided energy efficient refrigerators and light bulbs free to low income citizens. Advertising costs, included in other expenses, for the Rideshare and Air Quality programs decreased due to a new strategy to refine and more carefully target the use of advertising dollars.

**Capital assets** of MORPC as of December 31, 2004 totaled \$1,084,100 (net of accumulated depreciation). \$826,866 of this amount is the office building, including leasehold improvements, housing MORPC staff. In 2004 the MORPC acquired \$118,942 in new assets. Deprecation on capital assets exceeded this amount by \$24,504, additionally; disposal of \$204,167 in fully depreciated capital assets was recorded in 2004.

**Long term debt** at December 31, 2004 was \$-0-. Ohio Revised Code, does not grant MORPC the authority to incur debt, however, ORC Section 713.21 does permit MORPC to enter into purchase leases for equipment. MORPC had a capital lease liability of \$1,854 at December 31, 2004 that will be paid off in 2005.

### **Economic Conditions**

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

The transportation program is the largest program of the agency. Legislation authorizing the federal transportation programs (TEA-21) expired September 30, 2003 and has been extended seven times to continue funding through June, 2005. When permanent legislation will be enacted remains uncertain. In the aggregate, the amount of funding Metropolitan Planning Organizations (MPO's), such as MORPC, will receive from permanent legislation is likely to increase and not decrease. However, with the creation of a new MPO in Ohio, the funding provided to the state must now be allocated to 17 MPO's rather than to just the 16 MPO's that existed when TEA-21 was originally passed.

### **Contacting MORPC**

This financial report is designed to provide our members, grantors, federal and state oversight agencies and the citizens of central Ohio with a general overview of MORPC's finances and to show MORPC's accountability for the money it receives. The report is available on MORPC's website at [www.morpc.org](http://www.morpc.org). Additional financial information can be obtained by contacting the Finance Director, Mid-Ohio Regional Planning Commission, 285 East Main Street, Columbus, Ohio, 43215.

# MID-OHIO REGIONAL PLANNING COMMISSION

## STATEMENTS OF NET ASSETS AS OF DECEMBER 31, 2004 AND 2003

	2004	2003
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash	\$1,608,487	\$ 1,245,365
Accounts receivable	718,578	1,040,909
Other prepaid expenses	78,473	66,859
Mortgage notes receivable	29,173	37,910
Prepaid rent	<u>22,000</u>	<u>30,000</u>
Total current assets	2,456,711	2,421,043
<b>NONCURRENT ASSETS:</b>		
Capital assets—net of accumulated depreciation	1,084,100	1,108,604
Cash—board designated for building repairs and replacements	765,874	692,812
Morgages notes receivable	432,711	303,519
Prepaid building fund	<u>21,570</u>	<u>56,645</u>
Total noncurrent assets	<u>2,304,255</u>	<u>2,161,580</u>
<b>TOTAL</b>	<b><u>\$4,760,966</u></b>	<b><u>\$4,582,623</u></b>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 326,778	\$ 404,733
Accrued—payroll and fringe benefits	316,429	245,545
Capital leases payable	1,854	6,321
Accrued—vacation and sick leave	40,000	40,000
Unearned revenue—federal	198,015	252,434
Unearned revenue—non-federal	<u>392,643</u>	<u>325,398</u>
Total current liabilities	1,275,719	1,274,431
<b>NONCURRENT LIABILITIES:</b>		
Accrued vacation and sick leave	385,937	384,138
Unearned revenue—federal	<u>425,728</u>	<u>307,065</u>
Total noncurrent liabilities	811,665	691,203
Total liabilities	2,087,384	1,965,634
<b>NET ASSETS:</b>		
Invested in capital assets—net of related debt	1,082,246	1,102,283
Unrestricted	<u>1,591,336</u>	<u>1,514,706</u>
Total net assets	<u>2,673,582</u>	<u>2,616,989</u>
<b>TOTAL</b>	<b><u>\$4,760,966</u></b>	<b><u>\$4,582,623</u></b>

See notes to financial statements.

## MID-OHIO REGIONAL PLANNING COMMISSION

### STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004	2003
<b>REVENUES:</b>		
Governmental:		
Federal grants and contracts	\$ 4,242,481	\$ 3,999,332
Nonfederal:		
Members' per capita fees	512,771	494,136
State grants and contracts	635,900	560,699
Local contracts and other	<u>932,770</u>	<u>829,689</u>
Total nonfederal	2,081,441	1,884,524
Foundations/corporate contributions	167,797	132,730
Utility company contracts	<u>1,052,180</u>	<u>1,142,415</u>
Total revenues	<u>7,543,899</u>	<u>7,159,001</u>
<b>EXPENSES:</b>		
Salaries and benefits	4,170,754	4,090,090
Consultants and subcontractors	2,216,197	1,735,733
Other services	326,340	317,446
Rent and utilities	108,025	104,544
Materials and supplies	179,017	279,102
Printing	32,974	48,679
Travel	66,636	63,892
Depreciation	143,446	167,350
Advertising	84,695	150,895
Other	<u>249,550</u>	<u>223,048</u>
Total expenses	<u>7,577,634</u>	<u>7,180,779</u>
OPERATING LOSS	(33,735)	(21,778)
NONOPERATING LOSS-Disposal of capital assets		(11,425)
CAPITAL CONTRIBUTIONS	<u>90,328</u>	<u>84,553</u>
INCREASE IN NET ASSETS	56,593	51,350
NET ASSETS—Beginning of year	<u>2,616,989</u>	<u>2,565,639</u>
NET ASSETS—End of year	<u>\$ 2,673,582</u>	<u>\$ 2,616,989</u>

See notes to financial statements.

# MID-OHIO REGIONAL PLANNING COMMISSION

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004	2003
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Received from federal grants and contracts	\$ 4,267,132	\$ 3,678,565
Received from state, local, utility company grants and contracts and other	3,572,223	3,083,614
Payments for salaries and benefits	(4,098,072)	(4,133,405)
Payments for consultants and subcontractors	(2,216,197)	(1,642,556)
Other payments	<u>(1,054,942)</u>	<u>(1,088,031)</u>
Net cash provided by (used in) operating activities	470,144	(101,813)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Additions to property and equipment	(119,821)	(50,626)
Payments on lease obligation	(4,467)	(6,363)
Capital contributions	<u>90,328</u>	<u>98,007</u>
Net cash provided by (used in) capital and related financing activities	<u>(33,960)</u>	<u>41,018</u>
<b>INCREASE (DECREASE) IN CASH DEPOSITS</b>	436,184	(60,795)
<b>CASH DEPOSITS—Beginning of year (including \$692,812 and \$594,805 in cash—board designated for building repairs and replacement at January 1, 2004 and 2003, respectively)</b>	<u>1,938,177</u>	<u>1,998,972</u>
<b>CASH DEPOSITS—End of year (including \$765,874 and \$692,812 in cash—board designated for building repairs and replacements at December 31, 2004 and 2003, respectively)</b>	<u>\$ 2,374,361</u>	<u>\$ 1,938,177</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>		
Operating loss	<u>\$ (33,735)</u>	<u>\$ (21,778)</u>
<b>Adjustments to reconcile to cash provided by operating activities:</b>		
Depreciation	143,446	167,350
<b>Changes in assets and liabilities:</b>		
Accounts receivable	322,331	(490,557)
Prepaid rent and building fund	43,075	27,558
Other prepaid expenses	(11,614)	(4,988)
Accounts payable	(77,076)	107,518
Accrued liabilities	72,683	(34,263)
Unearned grants and contract revenue and mortgage notes receivables	<u>11,034</u>	<u>147,347</u>
Total adjustments	<u>503,879</u>	<u>(80,035)</u>
Net cash provided by (used in) operating activities	<u>\$ 470,144</u>	<u>\$ (101,813)</u>

See notes to financial statements.



# MID-OHIO REGIONAL PLANNING COMMISSION

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

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### 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Organization**—The Mid-Ohio Regional Planning Commission (“MORPC”) was created in December 1969 as the successor to the Franklin County Regional Planning Commission under authority granted by state statute. MORPC is a regional planning agency composed of representatives from political subdivisions in and around Franklin County, Ohio. These representatives gain membership in MORPC by satisfying certain eligibility and conditional requirements. MORPC serves communities in central and south-central Ohio by supervising, monitoring and performing planning activities affecting the present and future environmental, social, economical and government characteristics of the region. MORPC is not subject to federal or state income taxes.

In accordance with Government Accounting Standards Board (“GASB”) Statement No. 14, *The Financial Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units, an amendment of GASB Statement No. 14*, MORPC is not considered part of the Franklin County (the “County”) financial reporting entity as a result of the following:

- MORPC is a separate legal entity, established under Section 713.21 of the Ohio Revised Code (“ORC”).
- The County holds only 13 of 74 seats on MORPC’s governing Board.
- MORPC is not fiscally dependent on the County.
- MORPC provides services to members outside of the County.

There are no agencies or organizations for which MORPC is considered the primary government. Accordingly, MORPC, including the Hope for Homeownership of Single Family Homes Program (“HOPE 3”) Trust (see Note 1), is the sole organization of the reporting entity.

**Basis of Accounting**—In accordance with accounting principles generally accepted in the United States of America for governmental entities such as MORPC, a proprietary fund is used to account for operations since they are financed and operated in a manner similar to private business enterprises. The intent of MORPC is to recover costs of the services provided to its members, the federal government, the state, and all other contracting organizations on an actual cost reimbursement basis, with no provision for profit. The proprietary fund is accounted for on the accrual basis of accounting, using a flow of economic resources measurement focus. Revenue is recognized in the period earned and expenses are recognized in the period incurred. The financial statements include both MORPC and the HOPE 3 Trust, a blended component unit, which was established principally for the purpose of holding title to certain real estate for MORPC.

**Revenue Recognition**—Revenue is derived from federal, state, county, and local funding, as well as foundations, corporations, and utility company contracts. MORPC members are charged an annual fee on a per-capita basis as determined by MORPC pursuant to the Articles of Agreement of MORPC. In addition, MORPC receives federal grants, which include amounts from the Department of Housing and Urban Development, the Federal Transit Administration, the Federal Highway Administration (in conjunction with the Ohio Department of Transportation), the U.S. Department of Energy, and the U.S. Department of Health and Human Services (in conjunction with the Ohio Department of Development).

Revenues are recognized in the statements of revenues, expenses, and changes in net assets when earned, on a percentage of completion basis. Cash received for which applicable services have not been performed are recorded as unearned grant and contract revenue in the balance sheets.

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

**Property and Equipment**—MORPC capitalizes at cost all purchased property and equipment costing \$1,000 and greater and with a useful life greater than one year. Depreciation is provided on the straight-line method over the estimated useful lives of the assets ranging from three to forty years. Leasehold improvements are amortized over the lesser of the useful life of the asset or term of the lease. Donated property and equipment are recorded at fair market value on date donated. Upon sale or disposition of property and equipment, the cost and related depreciation are removed from the accounts and any gain or loss is recognized.

**Cash Deposits**—As required by ORC Section 713.21, MORPC must deposit all receipts in the Franklin County Treasury. The County Treasurer maintains a cash and investment pool used for all County Treasury activities. MORPC has no other cash deposits or investments and does not receive interest on its cash balances held in the County Treasury.

Pursuant to ORC Section 135.181, the County's deposits are covered by collateral held by third-party trustees in collateral pools securing all public funds on deposits with specific depository institutions. There is no regulatory oversight for the pool. A portion of the deposits is held in the County's name in non-interest-bearing demand deposit accounts in institutions with branches in Franklin County. A portion of the deposits is in time certificates of deposit registered in the County's name and is held by the County.

Statement No. 3 of the Governmental Accounting Standards Board ("GASB") requires that all deposits be classified as to custodial risk.

The following custodial risk categories are used:

- (a) Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- (b) Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- (c) Uncollateralized, including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the entity's name.

MORPC's deposits with Franklin County have carrying amounts of \$2,251,892 and bank balances of \$2,256,409 at December 31, 2004, with the difference primarily due to outstanding checks. At December 31, 2003, MORPC's deposits with Franklin County had carrying amounts and bank balances of \$1,794,031. Included in these bank balances is \$765,874 and \$692,812 for December 31, 2004 and 2003 respectively, which is designated by the MORPC Board for building repairs and replacements. MORPC's deposits with Franklin County are not required to be categorized based on the nature of the deposits. Franklin County's deposits of MORPC funds are held by third-party trustees, pursuant to ORC Section 135.181, in collateral pools securing all public monies on deposit with specific depository institutions. The fair value of the position in this external investment pool is the same as the value of the pool shares. MORPC's deposits relating to the HOPE 3 Trust are classified in category 3 and the carrying amounts are \$122,449 and \$144,126 at December 31, 2004 and 2003, respectively. The bank balances are \$112,555 and \$144,330 at December 31, 2004 and 2003, respectively, with the difference in 2004 due mainly to deposits in transit and the difference in 2003 due mainly to outstanding checks.

**Investments**—The ORC does not provide MORPC the power to make or hold investments other than the non-interest-bearing deposits in the Franklin County Treasury explained above.

**Reclassifications and Restatement**—MORPC adopted GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*. These Statements eliminate the concept of Fund Equity and introduce the concept of Net Assets. MORPC has adopted these Statements for its 2004 financial statements and the 2003 financial statements have been restated to conform with the 2004 presentation.

MORPC's total equity of \$2,565,639 at January 1, 2003 has been reclassified as total net assets. Additionally, the historical add back of depreciation of contributed capital on the Statement of Revenues, Expenses, and Changes in Retained Earnings is no longer applicable under GASB Statement No. 34.

**Budgetary Accounting**—The accounting principles employed by MORPC in its budgetary accounting and reporting are the same as those used to present financial statements in accordance with generally accepted accounting principles. Outlined below are the annual procedures MORPC follows to establish the expense budget data.

In December, the Finance Director develops a comprehensive operating and capital budget for the following calendar year with detailed estimated revenue and expenses by source for each half calendar year. Detailed direct and indirect cost allocations by grant are included. This budget, including appropriations, is presented to MORPC's Administrative Committee of the Board for review and then submitted to the full MORPC Board for adoption.

MORPC appropriates at the major account group level, which includes personal services, materials and supplies, services and charges, capital expenditures, debt service, and interfund transfer. The Administrative Committee can approve transfers among the appropriation accounts within the total appropriated by MORPC, which is the legal spending limit.

In March, the federal transportation planning work program is submitted along with contract applications for federal planning funds for the next July through June fiscal year. The cost allocation plan is also submitted for negotiation at this time.

In July, following federal approval of the planning work program and cost allocation plan, MORPC's calendar year budget and appropriations are revised by the Finance Director, reviewed by the Administrative Committee and adopted by MORPC.

Appropriations lapse at year-end. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed in conjunction with the Franklin County Auditor as an extension of formal budgetary control.

Interim financial statements comparing budget to actual in the same level of detail as the budget are prepared monthly on the accrual basis. These statements, along with narrative variance analyses, are reviewed quarterly by the Administrative Committee.

**Cash Equivalents**—For purposes of the statements of cash flows, MORPC considers all cash deposits held by the Franklin County Treasury as well as the HOPE 3 deposits, to be cash equivalents since they are available to MORPC upon demand.

**Proprietary Accounting**—Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, MORPC follows GASB guidance as applicable to proprietary funds and Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

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

Sick leave benefits are accrued using the vesting method in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*. An accrual for earned sick leave is reduced to the maximum amount allowed as a termination payment. The liability is based on the probability that individual employees will become eligible to receive termination payments.

MORPC allows employees to annually convert up to one year's worth of unused annual leave and sick leave to cash compensation with various restrictions. The amount employee's converted in 2004 and 2003 was approximately \$39,600 and \$42,900, respectively, reducing MORPC's liability.

**HOPE 3 Program**—MORPC manages the Hope for Homeownership of Single Family Homes Program in which MORPC acquires homes with federal monies, refurbishes the homes, and then sells them to qualified buyers in exchange for mortgage notes. In accordance with the mortgage note, a percentage of the mortgage note is forgiven as long as the owner continues to live in the home. Management expects the notes to be forgiven over time.

Real estate held for resale is stated at fair value. Real estate held for resale consists of single-family homes, which are to be sold to qualifying participants under the HOPE 3 program as established by the United States Department of Housing and Urban Development. MORPC held no real estate for resale as of December 31, 2004 and 2003.

The mortgage notes receivable represent amounts due from homeowners resulting from the sale of homes under the HOPE 3 program. These notes receivable are collateralized by second mortgages and are due upon the subsequent sale of the homes, or the amounts are forgiven pursuant to HOPE 3 guidelines. MORPC has recorded deferred revenues in amounts equal to the mortgage loans receivable. These deferred revenues represent amounts advanced by the United States Department of Housing and Urban Development to fund the HOPE 3 program. Upon forgiveness of the mortgage notes receivable such amounts will be charged against deferred revenue.

**Use of Estimates**—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions

that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

*New Accounting Pronouncements*—In March 2003, the GASB issued Statement No. 40, *Deposit and Investment Risk Disclosures, an Amendment to GASB Statement No. 3*, which addresses common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. As an element of interest rate risk, this statement requires certain disclosures of investments that have fair values that are highly sensitive to changes in interest rates. The statement is effective for periods beginning after June 15, 2004. MORPC has completed its analysis of the impact of this statement and has determined this statement will not have a material effect on its reported financial statements.

In November 2003, the GASB issued Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, which establishes accounting and financial reporting standards for impairment of capital assets. This statement also clarifies and establishes accounting requirements for insurance recoveries. The standard is effective for periods beginning after December 15, 2004. MORPC has completed its analysis of the impact of this statement and has determined this statement will not have a material effect on its reported financial statements.

In May 2004, the GASB issued Statement No. 44, *Economic Condition Reporting: The Statistical Section*, which is intended to improve the understandability and usefulness of the statistical section by addressing comparability among programs. This statement will clarify the requirements of the statistical section in order to better meet user needs by including new information users have identified as important and eliminating certain previous requirements. The statement is effective for periods beginning after June 15, 2005. MORPC has not completed an analysis of the impact of this statement on its reported financial statements.

In December 2004, the GASB issued Statement No. 46, *Net Assets Restricted by Legislation an amendment of GASB Statement No. 34*, which requires that limitations on the use of net assets imposed by enabling legislation be reported as restricted net assets. This statement clarifies that a legally enforceable enabling legislation restriction is one that a party external to a government—such as citizens, public interest groups, or the judiciary—can compel a government to honor. The statement is effective for periods beginning after June 15, 2005. MORPC has not completed an analysis of the impact of this statement on its reported financial statements.

## **2. CASH DESIGNATED FOR REPLACEMENTS**

During 2004 and 2003, MORPC deposited monies with the Franklin County Treasury, which are designated to be used for major replacements, repairs and maintenance of its leased facility, which totaled approximately \$765,874 and \$692,812 at December 31, 2004 and 2003, respectively.

### 3. PROPERTY AND EQUIPMENT

The changes in capital assets during the year ended December 31, 2004 and 2003 are as follows:

	Balance December 31, 2003	Additions	Deletions	Balance December 31, 2004
Capital assets being depreciated:				
Building	\$ 1,801,000	\$ -	\$ -	\$ 1,801,000
Leasehold improvements	377,387	14,402		391,789
Leased equipment	287,352		20,606	266,746
Furniture and equipment	860,075	104,540	173,926	790,689
Automobiles and light trucks	<u>205,354</u>		<u>9,635</u>	<u>195,719</u>
Total capital assets— being depreciated	3,531,168	118,942	204,167	3,445,943
Less accumulated depreciation:				
Building	968,038	45,026		1,013,064
Leasehold improvements	350,702	2,157		352,859
Leased equipment	287,352		20,606	266,746
Furniture and equipment	672,628	65,480	173,926	564,182
Automobiles and light trucks	143,844	30,783	9,635	164,992
Total accumulated depreciations	<u>2,422,564</u>	<u>143,446</u>	<u>204,167</u>	<u>2,361,843</u>
Total capital assets—net of depreciation	<u>\$ 1,108,604</u>	<u>\$ (24,504)</u>	<u>\$ -</u>	<u>\$ 1,084,100</u>
	Balance December 31, 2002	Additions	Deletions	Balance December 31, 2003
Capital assets being depreciated:				
Building	\$ 1,801,000	\$ -	\$ -	\$ 1,801,000
Leasehold improvements	377,387			377,387
Leased equipment	294,429		7,077	287,352
Furniture and equipment	853,896	49,188	43,009	860,075
Automobiles and light trucks	<u>311,038</u>		<u>105,684</u>	<u>205,354</u>
Total capital assets— being depreciated	3,637,750	49,188	155,770	3,531,168
Less accumulated depreciation:				
Building	923,013	45,025		968,038
Leasehold improvements	349,219	1,483		350,702
Leased equipment	284,367	10,062	7,077	287,352
Furniture and equipment	637,612	74,283	39,267	672,628
Automobiles and light trucks	184,280	36,497	76,933	143,844
Total accumulated depreciations	<u>2,378,491</u>	<u>167,350</u>	<u>123,277</u>	<u>2,422,564</u>
Total capital assets—net of depreciation	<u>\$ 1,259,259</u>	<u>\$ (118,162)</u>	<u>\$ 32,493</u>	<u>\$ 1,108,604</u>

**4. ACCOUNTS RECEIVABLE**

A schedule of MORPC's accounts receivable as of December 31, 2004 and 2003 are as follows:

	2004	2003
Federal grants and contracts	\$ 580,581	\$ 540,988
State and local contracts	118,660	408,818
Utility company contracts	14,736	86,687
Other	<u>4,601</u>	<u>4,416</u>
Total	<u>\$ 718,578</u>	<u>\$ 1,040,909</u>

**5. LEASES**

MORPC leases certain computers and office equipment under capital leases, with a gross balance of \$11,579. Future minimum payments, by year and in the aggregate, under these leases with initial or remaining terms of one year or more, consisted of the following at December 31, 2004:

2005	<u>\$ 1,929</u>
Total minimum lease payments	1,929
Less amount representing interest	<u>(75)</u>
Present value of minimum lease payments under capitalized lease	<u>\$ 1,854</u>

**6. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**

All MORPC employees participate, through Franklin County, in the statewide Ohio Public Employees Retirement System ("OPERS"). The plan is a cost sharing, multiple employer defined benefit pension plan. OPERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. In 2004, 2003, and 2002 the employer was required to contribute 13.55% of active member payroll, and employees were required to contribute 8.5% of their annual covered salary.

Total required employer contributions billed to the MORPC were approximately \$467,000, \$473,000 and \$479,000 for the years ending December 31, 2004, 2003 and 2002, respectively.

OPERS issues a publicly available stand-alone financial report that includes its financial statements and required supplementary information. That report may be obtained by writing to Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 614-222-6701 or 1-800-222-7377.

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

OPERS provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit ("OPEB") as described in GASB Statement No. 12, *Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Government Employers*. A

portion of each contribution to OPERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 2004 and 2003 employer contribution rate for state employers was 13.55% of covered payroll; 4% and 5% was the portion that was used to fund health care for the year ended December 31, 2004 and 2003, respectively. These rates are the actuarially determined contribution requirement for OPERS. The portion of MORPC's 2004 and 2003 contributions that were used to fund postemployment benefits was \$138,000 and \$175,000, respectively. The ORC provides the statutory authority requiring public employers to fund postretirement health care through their contributions to OPERS.

The assumptions and calculations below were based on the OPERS' latest Actuarial Review performed as of December 31, 2003. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2003 was 8.00%. An annual increase of 4.00% compounded annually is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.00% base increase, were assumed to range from 1% to 6%. Health care costs were assumed to increase 4.00% annually.

OPEB are advance-funded on an actuarially determined basis. As of December 31, 2003, the actuarial value of the OPERS' net assets available for OPEB was \$10.5 billion. The number of active contributing participants was 369,885. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$26.9 billion and \$16.4 billion, respectively.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan ("HCPP") with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs.

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

## **7. CONTINGENCIES**

Federal and state contracts are subject to review and audit by the grantor agencies or their designees. Such audits could lead to requests for reimbursement to the grantor agency for expenses disallowed under terms of the grant. There are no such claims pending and no known situations, which would lead to such a claim. In addition, based upon prior experience and audit results, management believes that such disallowances, if any, would be immaterial.

In the normal course of its business activities, MORPC may become subject to claims and litigation relating to contract, employment or other matters. In the opinion of management, the resolution of any such claims pending would not likely have a material impact on MORPC's financial position.

## **8. RISK MANAGEMENT**

MORPC is exposed to various risks of losses related to torts, theft or damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters.



As required by state law, MORPC is insured through the State of Ohio Bureau of Workers' Compensation for injuries to its employees through the County. The County allocates the claim liability between all agencies that participate through them. MORPC's current claims liability as of December 31, 2004 and 2003, respectively, was approximately \$30,000 and \$28,600 and is included in accrued liabilities—payroll and fringe benefits balance.

MORPC has insurance for both general liability and automobile claims and hospitalization and medical benefit coverage to all of its full-time employees. There were no changes in the above policies during 2004 and 2003 and during the past three years insurance coverage was sufficient to cover all losses.

**9. FEDERAL GRANTS AND CONTRACTS REVENUE**

Federal grants and contracts for the years ended December 31, 2004 and 2003, are made up of the following:

	<b>2004</b>	<b>2003</b>
Federal grants	\$4,196,632	\$3,983,953
Federal contracts	<u>45,849</u>	<u>15,379</u>
Total federal grants and contracts	<u>\$4,242,481</u>	<u>\$3,999,332</u>

**10. NONCURRENT LIABILITIES**

The changes in MORPC's noncurrent liabilities for the years ended December 31, 2004 and 2003 is as follows:

	<b>Beginning Balance December 31, 2003</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance December 31, 2004</b>	<b>Current Portion December 31, 2004</b>
Annual leave	\$ 122,787	\$ 227,259	\$ (225,709)	\$ 124,337	\$ 30,000
Sick leave	<u>301,351</u>	<u>87,950</u>	<u>(87,701)</u>	<u>301,600</u>	<u>10,000</u>
Accrued vacation and sick leave	424,138	315,209	(313,410)	425,937	40,000
Unearned revenue—Federal	<u>559,499</u>	<u>159,785</u>	<u>(95,541)</u>	<u>623,743</u>	<u>198,015</u>
Total noncurrent liabilities	<u>\$ 983,637</u>	<u>\$ 474,994</u>	<u>\$ (408,951)</u>	<u>\$ 1,049,680</u>	<u>\$ 238,015</u>
	<b>Beginning Balance December 31, 2002</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance December 31, 2003</b>	<b>Current Portion December 31, 2003</b>
Annual leave	\$ 133,480	\$ 235,966	\$ (246,659)	\$ 122,787	\$ 30,000
Sick leave	<u>333,815</u>	<u>79,485</u>	<u>(111,949)</u>	<u>301,351</u>	<u>10,000</u>
Accrued vacation and sick leave	467,295	315,451	(358,608)	424,138	40,000
Unearned revenue—Federal	<u>660,710</u>	<u>25,751</u>	<u>(126,962)</u>	<u>559,499</u>	<u>252,434</u>
Total noncurrent liabilities	<u>\$ 1,128,005</u>	<u>\$ 341,202</u>	<u>\$ (485,570)</u>	<u>\$ 983,637</u>	<u>\$ 292,434</u>

\* \* \* \* \*

## **SUPPLEMENTARY INFORMATION**

**Mid-Ohio Regional Planning Commission**

Schedule of Revenues and Expenses-Budget and Actual

For the Twelve Months Ending December 31, 2004

	<u>Actual</u>	<u>Budget</u>	<b>Variance favorable (unfavorable)</b>
<b>Revenue</b>			
Transportation Programs	\$3,319,754	\$3,905,250	(\$585,496)
RideSolutions	450,082	480,800	(30,718)
Air Quality Awareness	190,138	192,400	(2,262)
Residential Energy Conservation	1,535,960	1,592,900	(56,940)
Housing and Community Development Programs	1,036,700	1,194,850	(158,150)
Planning and Executive Management	755,343	753,850	1,493
Other	<u>255,922</u>	<u>194,950</u>	<u>60,972</u>
<b>Total Operating Revenues</b>	<b>\$7,543,899</b>	<b>\$8,315,000</b>	<b>(\$771,101)</b>
<b>Expenses</b>			
Salaries and benefits	\$4,170,754	\$4,279,400	(\$108,646)
Materials and Supplies	179,017	221,000	(41,983)
Consultants, services and other	3,084,417	3,686,000	(601,583)
Depreciation	<u>143,446</u>	<u>143,500</u>	<u>(54)</u>
<b>Total Expenses</b>	<b>\$7,577,634</b>	<b>\$8,329,900</b>	<b>(\$752,266)</b>
Operations income (loss)	(\$33,735)	(\$14,900)	(\$18,835)
Capital Contributions	<u>90,328</u>	<u>129,500</u>	<u>(39,172)</u>
Increase (decrease) in net assets	<u>\$56,593</u>	<u>\$114,600</u>	<u>(\$58,007)</u>

**Mid-Ohio Regional Planning Commission**  
 Details of Indirect Cost Allocation  
 for the year ended December 31, 2004

	01/01/04 - 06/30/04		07/01/04 - 12/31/04		01/01/04 - 12/31/04	
	Direct Labor and Fringes	Allocated Indirect Costs	Direct Labor and Fringes	Allocated Indirect Costs	Direct Labor and Fringes	Allocated Indirect Costs
Grants and Programs - Direct Labor						
Transportation	\$ 729,435	\$ 401,189	\$ 702,386	\$ 386,313	\$ 1,431,821	\$ 787,502
RideSolutions Program	159,216	87,569	140,185	77,101	299,401	164,670
Residential Energy Conservation Program	227,397	125,069	229,579	126,268	456,976	251,337
Housing and Community Development	149,588	82,274	150,767	82,922	300,355	165,196
Planning & Executive Management	189,749	104,362	178,525	98,189	368,274	202,551
Other Grants and Programs	26,971	14,834	24,494	13,471	51,465	28,305
Total	<u>\$ 1,482,356</u>	<u>\$ 815,297</u>	<u>\$ 1,425,936</u>	<u>\$ 784,264</u>	<u>\$ 2,908,292</u>	<u>\$ 1,599,561</u>

**Mid-Ohio Regional Planning Commission**  
**Details of Indirect Cost Allocation, Continued**

	01/01/04 - 06/30/04		07/01/04 - 12/31/04		01/01/04 - 12/31/04	
	Common	Total Indirect Costs	Common	Total Indirect Costs	Common	Total Indirect Costs
<b>Indirect Labor</b>						
Information and Technology Services	\$ 152,813	\$ 152,813	\$ 145,747	\$ 145,747	\$ 298,560	\$ 298,560
Finance	171,955	171,955	164,659	164,659	336,614	336,614
Public Affairs	54,872	54,872	54,590	54,590	109,462	109,462
Executive Management	96,322	96,322	99,469	99,469	195,791	195,791
Human Resources and Administration	47,370	101,680	45,306	96,779	92,676	198,459
Other Indirect Labor	23,590	23,590	22,603	22,603	46,193	46,193
Total-indirect labor	\$ 546,922	\$ 601,232	\$ 592,374	\$ 583,847	\$ 1,079,296	\$ 1,185,079
Percent of direct labor	36.90%	40.56%	37.34%	40.94%	37.11%	40.75%
<b>General Overhead Expense</b>						
Materials and Supplies	\$ 15,742	\$ 22,840	\$ 13,288	\$ 18,513	\$ 29,030	\$ 41,353
Services and Charges	88,665	104,698	98,646	111,829	187,311	216,527
Rent, Utilities and Building Maintenance	2,757	62,062	2,347	53,897	5,104	115,959
Other General Overhead	15,841	39,696	15,699	41,806	31,540	81,502
Total-general overhead	\$ 123,005	\$ 229,296	\$ 129,980	\$ 226,045	\$ 252,985	\$ 455,341
Percent of direct labor	8.30%	15.47%	9.12%	15.85%	8.70%	15.66%
Total indirect expenses	\$ 669,927	\$ 830,528	\$ 662,354	\$ 809,892	\$ 1,332,281	\$ 1,640,420
Percent of direct labor	45.19%	56.03%	46.45%	56.80%	45.81%	56.40%
Over (under) absorbed expenses	\$ (2,866)	\$ (15,231)	\$ (20,684)	\$ (25,628)	\$ (23,550)	\$ (40,859)
Percent of direct labor	-0.19%	-1.03%	-1.45%	-1.80%	-0.81%	-1.40%

**Mid-Ohio Regional Planning Commission**  
**Indirect Cost Allocation - Summary**

	01/01/04 - 06/30/04			07/01/04 - 12/31/04			01/01/04 - 12/31/04		
	Direct Labor and Fringes	Allocated Indirect Costs	Rate	Direct Labor and Fringes	Allocated Indirect Costs	Rate	Direct Labor and Fringes	Allocated Indirect Costs	Rate
Headquarters	\$ 1,482,356	\$ 815,297	55.00%	\$ 1,425,936	\$ 784,264	55.00%	\$ 2,908,292	\$ 1,599,561	55.00%
Total	<u>\$ 1,482,356</u>	<u>\$ 815,297</u>		<u>\$ 1,425,936</u>	<u>\$ 784,264</u>		<u>\$ 2,908,292</u>	<u>\$ 1,599,561</u>	
Common Headquarters		Indirect Expenses	Rate		Indirect Expenses	Rate		Indirect Expenses	Rate
Total		\$ 669,927	45.19%		\$ 662,354	46.45%		\$ 1,332,281	45.81%
		160,601	10.83%		147,538	10.35%		308,139	10.60%
		<u>\$ 830,528</u>	56.03%		<u>\$ 809,892</u>	56.80%		<u>\$ 1,640,420</u>	56.40%

## MID-OHIO REGIONAL PLANNING COMMISSION

### Details of Fringe Benefits Allocation

for the years ended June 30, 2004 and December 31, 2004

	Year Ended 06/30/04	Year Ended 12/31/04
Wages paid for time worked:	<u>\$ 2,667,433.16</u>	<u>\$ 2,657,707.79</u>
Allocated fringe benefits:	\$ 1,440,416.69	1,435,165.73
Actual fringe benefits:		
Fringe benefit wages:		
Vacations	202,281.83	195,636.79
Sick Leave	98,609.42	78,162.78
Holiday and Other Fringe Wages	85,365.78	96,659.25
Retirement sick leave	16,904.86	18,266.92
Vacations Carryover	32,380.05	39,385.78
Other	<u>1,500.00</u>	<u>1,900.00</u>
Total fringe benefits wages	437,041.94	430,011.52
OPERS	475,173.22	470,009.32
Workers' compensation	24,516.64	47,601.61
Group medical coverage	362,768.88	416,495.30
Unemployment compensation	8,629.20	8,595.65
Medicare Tax	36,979.35	35,936.63
Group life insurance	1,301.46	2,072.18
Group dental insurance	31,797.66	33,826.35
Group optical insurance	3,230.28	4,701.78
Group prescription insurance	85,618.80	97,853.63
Group EAP Insurance	10,681.38	13,036.48
Employee Cost Share	<u>(46,151.48)</u>	<u>(47,593.92)</u>
Total other fringe benefits	994,545.39	1,082,535.01
Total actual fringe benefits	<u>1,431,587.33</u>	<u>1,512,546.53</u>
Over (under) allocated fringe benefits	<u>\$ 8,829.36</u>	<u>\$ (77,380.80)</u>
Allocated fringe benefits	<u>54.00%</u>	<u>54.00%</u>
Actual fringe benefits rate	<u>53.67%</u>	<u>56.91%</u>

MID-OHIO REGIONAL PLANNING COMMISSION

DETAILS OF CUMULATIVE REVENUE AND EXPENSES AND COMPUTATION OF PROJECT GRANTS ON FEDERAL TRANSPORTATION PROJECTS COMPLETED IN 2004

Year Ended December 31, 2004

	Federal Transportation Administration FY 2004 Transit 9219/165041 Planning Work Program	FY 2004 Federal Highway Administration/Ohio Department of Transportation 9219/465810 Rideshare Program	FY 2003 Federal Highway Administration/Ohio Department of Transportation 8608/465670 Supplemental Planning Activity	FY 2003 Federal Highway Administration/Ohio Department of Transportation/ 9219/462700 Travel Models Improvement Study II
Revenues:				
Federal grants: FHWA	\$ 1,263,645	\$ 508,765	\$ 230,000	\$ 750,000
FTA				
STP				
State grants: ODOT (FHWA match)	157,956			
ODOT (FTA match)				
Allocation of per capita fees--FHWA	157,956			
Allocation of per capita fees--FTA				
Local matching funds				
Overexpenditure of FHWA contract	76	4	568	36
Overexpenditure of FTA contract				
Overexpenditure of STP contract				
Federal grants allocated				
State grants allocated				
In Kind Services				
<b>TOTAL REVENUES</b>	<b>\$ 1,579,633</b>	<b>\$ 508,769</b>	<b>\$ 230,568</b>	<b>\$ 750,036</b>
Expenditures:				
Salaries and benefits	965,890	249,910	142,160	91,187
Consultants and services	7,258	47,841	28	583,082
Rent and utilities	136	777	0	0
Equipment and Rentals				
Supplies	9,370	3,512	111	305
Printing	15,793	3,885	0	0
Travel	7,291	1,630	976	4,217
Depreciation	15,826	885	0	0
Other	22,768	62,175	66	14,762
In-kind services				
Subtotal--direct expenditures	\$ 1,044,332	\$ 370,214	\$ 143,340	\$ 693,553
Overhead and indirect cost allocation	\$ 535,302	\$ 138,555	\$ 87,228	\$ 56,484
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,579,633</b>	<b>\$ 508,769</b>	<b>\$ 230,568</b>	<b>\$ 750,036</b>
Federal participation in project cost may not exceed	80%	100.00%	100%	100%
Pursuant to contracts, the federal grant may not exceed the lesser of the percentage shown above, or	\$ 1,263,645	\$ 508,765	\$ 230,000	\$ 750,000
Accordingly the federal grant permissible is:	\$ 1,263,645	\$ 508,765	\$ 230,000	\$ 750,000
Less: Federal payments	1,263,645	508,765	230,000	750,000
Federal grant receivable	\$ -0-	\$ -0-	\$ -0-	\$ -0-



**MID-OHIO REGIONAL PLANNING COMMISSION  
SCHEDULE OF COSTS BY SUBCATEGORY FOR  
FEDERAL TRANSPORTATION GRANTS COMPLETED IN 2004**

*Year Ended December 31, 2004*

SUBCATEGORIES	FTA	ODOT	MORPC	FHWA	STP	MORPC	TOTAL
601 Short Range Planning	80.00%	10.00%	10.00%				100.00%
60104-001 Short Range Multimodal Transp.	\$93,883	\$11,736	\$11,736				\$117,355
60104-002 Freight Planning	\$56,067	\$7,008	\$7,008				\$70,083
602 Transportation Improvement Program	80.00%	10.00%	10.00%				100.00%
60204-000 TIP & Implementation	\$144,737	\$18,092	\$18,092				\$180,921
605 Continuing Planning - Surveillance	80.00%	10.00%	10.00%				100.00%
60504-001 Transportation Data & Surveillance	\$217,109	\$27,139	\$27,138				\$271,386
60504-002 Transp Models & Applications	\$204,457	\$25,557	\$25,558				\$255,572
610 Long Range Planning	80.00%	10.00%	10.00%				100.00%
61004-001 Long Range Multimodal	\$251,411	\$31,427	\$31,426				\$314,264
61004-002 Transportation Public Involvement	\$65,336	\$8,167	\$8,167				\$81,670
625 Service	80.00%	10.00%	10.00%				100.00%
62514-000 Assistance to Public & Members	\$46,890	\$5,861	\$5,862				\$58,613
635 Economic Regulation	80.00%	10.00%	10.00%				100.00%
63504-000 Transportation Policies	\$56,088	\$7,011	\$7,011				\$70,110
665 Planning				100.00%			100.00%
66513-001 Travel Model Improvement Study II				\$750,000		\$36	\$750,036
66517-000 Supplemental Planning Activity					100.00%	\$568	100.00%
					\$230,000		\$230,568
667 66704-000 Rideshare Program FY2004				100.00%		\$4	100.00%
				\$508,765			\$508,769
695 Transportation Program Supervision	80.00%	10.00%	10.00%				100.00%
69504-000 Program Administration	\$107,678	\$13,460	\$13,459				\$134,597
697 Biennial Reports FY 2004	80.00%	10.00%	10.00%				100.00%
69704-000 Biennial Report-Transp. Staff	\$19,989	\$2,498	\$2,499			\$76	\$25,062
Total	\$1,263,645	\$157,956	\$157,956	\$1,258,765	\$230,000	\$684	\$3,069,006

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### **III. STATISTICAL SECTION**

**MID-OHIO REGIONAL PLANNING COMMISSION**  
 Estimated Population by Member Jurisdiction Used for Per Capita/Membership Fees  
 December 31, 2004

<b>Governmental Unit</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
<b>Cities:</b>										
Bexley	13,285	13,285	13,289	13,290	13,293	13,314	13,320	13,217	13,217	13,229
Chillicothe	22,164	22,237	22,316	22,394	22,394	22,394	22,499	21,903	21,966	21,966
Circleville	11,930									
Columbus	666,211	675,045	684,928	696,849	701,426	705,652	714,413	726,601	734,024	743,343
Delaware		22,294	22,102	23,224	23,745	24,490	26,435	27,294	28,710	29,599
Dublin	19,753	21,494	22,337	23,103	24,976	26,039	30,556	32,269	35,523	36,313
Gahanna	32,240	32,919	33,605	33,950	34,503	34,892	35,214	33,118	33,194	33,588
Grandview Heights	7,013	7,016	7,027	7,027	7,027	7,027	7,027	6,695	6,695	6,695
Grove City	22,970	23,446	24,065	24,683	25,129	25,632	28,481	30,224	30,679	30,826
Hilliard	16,780	17,903	18,774	19,281	21,064	22,506	23,244	25,555	25,996	26,844
London			8,389	8,441	8,574	8,765	8,869	8,877	9,031	9,084
Marysville							14,530	16,986	17,386	17,386
Pickerington	7,399	7,535	7,744	7,895	8,035	8,377	8,755	10,452	11,259	12,159
Powell	3,837	4,287	3,929	4,544	4,981	5,346	6,009	7,115	6,995	7,434
Reynoldsburg	28,627	29,653	30,657	31,124	31,466	31,928	32,281	32,926	33,369	33,623
Upper Arlington	34,259	35,892	35,900	35,919	35,921	35,934	35,990	33,767	33,785	33,797
Washington			13,905	13,983	14,077	14,077	14,131	13,582	13,644	13,805
Westerville	33,635	34,016	34,412	34,833	34,948	35,926	36,278	35,908	36,018	36,069
Whitehall	20,590	20,599	20,612	20,612	20,675	20,696	20,702	19,207	19,207	19,207
Worthington	15,004	15,022	15,046	15,052	15,059	15,067	15,069	14,137	14,137	14,146
<b>Total Cities</b>	<b>955,697</b>	<b>982,643</b>	<b>1,019,037</b>	<b>1,036,204</b>	<b>1,047,293</b>	<b>1,058,062</b>	<b>1,093,803</b>	<b>1,109,833</b>	<b>1,124,835</b>	<b>1,139,113</b>
<b>Villages:</b>										
Ashley	1,068	1,075								
Brice	106	106	106	106	106	106	106	70	70	70
Canal Winchester	3,021	3,153	3,294	3,482	3,722	3,935	4,281	4,987	5,144	5,449
Groveport	3,129	3,218	3,378	3,439	3,573	3,602	3,688	4,121	4,323	4,683
Harrisburg	357	357	357	357	357	357	357	332	332	332
Lockbourne	283	283	383	383	283	283	283	280	280	280
Marble Cliff	647	651	652	652	652	652	652	646	646	646
Minerva Park	1,463	1,471	1,683	1,683	1,683	1,683	1,683	1,288	1,288	1,288
Mount Sterling								1,865	1,867	1,867
New Albany	2,098	2,253	2,688	3,100	3,361	3,550	3,970	4,323	4,675	4,927
New Rome	116	116	116	116	116	116	116	60		60
Obetz	3,448	3,520	3,682	3,770	3,876	4,062	4,233	4,151	4,175	4,272
Riverlea	513	515	515	515	515	515	515	499	499	499
S. Bloomfield			838	935	943	951				1,223
Urbancrest	933	939	945	952	955	965	968	873	875	879
Valleyview	604	604	604	604	604	604	604	601	601	601
West Jefferson	4,526	4,530	4,530	4,530	4,535	4,546	4,546	4,331	4,401	4,401
<b>Total Villages</b>	<b>22,312</b>	<b>22,791</b>	<b>23,771</b>	<b>24,624</b>	<b>25,281</b>	<b>25,927</b>	<b>26,002</b>	<b>28,427</b>	<b>29,176</b>	<b>31,477</b>
<b>Delaware Co. Balance</b>							70,767	74,845	79,906	85,372
Violet Township							16,362	17,495	17,876	18,425
<b>Fayette Co. Balance</b>			14,490	14,537	14,977	14,977	15,200	15,218		
<b>Unincorporated</b>										
Franklin County	100,028	97,959	98,041	98,244	98,547	101,747	102,105	93,448	93,897	94,596
Ross County excluding City of Chillicothe	47,863	47,879	47,879	47,915	48,884	49,585	50,635	52,600	53,199	53,199
<b>Total County Balances</b>	<b>147,891</b>	<b>145,838</b>	<b>160,410</b>	<b>160,696</b>	<b>162,408</b>	<b>166,309</b>	<b>255,069</b>	<b>253,606</b>	<b>244,878</b>	<b>251,592</b>
<b>Total full member population</b>	<b>1,125,900</b>	<b>1,151,272</b>	<b>1,203,218</b>	<b>1,221,524</b>	<b>1,234,982</b>	<b>1,250,298</b>	<b>1,374,874</b>	<b>1,391,866</b>	<b>1,398,889</b>	<b>1,422,182</b>
<b>Total per capita full membership fees</b>	<b>\$344,240</b>	<b>\$346,987</b>	<b>\$388,030</b>	<b>\$418,247</b>	<b>\$442,212</b>	<b>\$493,521</b>	<b>\$532,710</b>	<b>\$566,697</b>	<b>\$586,432</b>	<b>\$594,191</b>

## MID-OHIO REGIONAL PLANNING COMMISSION

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

December 31, 2004

#### **Sources of Estimates**

Population estimates, prepared by MORPC staff are used for assessing per capita fees to member jurisdictions. The estimates are prepared from several available sources of population data including U.S. Census figures and estimated occupied housing units, based on the number of residential electric meters, residential building permits issued, and individual vacancy rates for each municipality. The number of persons per household has been calculated in all years (other than census years) using regression analysis and is unique to each municipality. Details of the adjacent county population base for calculating transportation per capita fees and adjacent county transportation per capita fees are not included in this schedule.

Due to the considerable effort and cost associated with updating the population estimates, it has been the decision of management on limited occasions to use existing population estimates in succeeding years without revision.

**MID-OHIO REGIONAL PLANNING COMMISSION**

Schedule of Revenue, Expenses and Changes in Net Assets - Last Ten Fiscal Years  
December 31, 2004

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>Revenue:</b>										
Governmental:										
Federal grants and contracts	\$ 4,036,790	\$ 3,704,309	\$ 3,394,314	\$ 4,249,376	\$ 4,101,941	\$ 3,901,096	\$ 4,055,624	\$ 4,519,259	\$ 3,999,332	\$ 4,242,481
Nonfederal:										
Members' per capita fees	283,695	285,439	325,273	357,196	382,637	427,847	460,480	469,267	494,136	512,771
State grants and contracts	175,619	199,956	199,660	166,262	217,174	245,164	224,708	455,389	560,899	635,900
Local contracts and other	556,737	661,073	780,630	872,659	1,091,936	1,258,269	872,408	950,056	962,419	1,100,567
Utility company contracts	1,178,449	1,017,986	1,246,533	1,214,307	1,389,518	1,029,687	1,127,715	1,122,162	1,142,415	1,052,180
Sale of HOPE 3 properties	424,875	398,756	444,843	444,843	297,937	116,226	118,582	17,550		
<b>Total revenue</b>	<b>6,231,290</b>	<b>6,292,638</b>	<b>6,345,166</b>	<b>7,304,843</b>	<b>7,481,143</b>	<b>6,978,229</b>	<b>6,859,517</b>	<b>7,533,683</b>	<b>7,159,001</b>	<b>7,543,899</b>
<b>Expenses:</b>										
Salaries and benefits	3,391,824	3,467,153	3,551,654	3,765,806	3,939,083	4,208,418	4,211,238	4,248,094	4,090,090	4,170,754
Consultants & subcontractors	1,706,437	1,249,910	966,955	1,597,334	1,861,736	1,193,340	1,287,359	1,974,674	1,735,733	2,216,197
Other services	218,574	248,598	334,275	396,701	388,864	435,271	284,090	267,272	317,446	326,940
Rent and utilities	214,055	214,168	213,362	201,423	204,429	178,981	195,239	122,767	104,544	108,025
Materials and supplies	222,080	207,552	255,669	291,570	300,175	217,752	233,830	310,029	279,102	179,017
Printing	46,506	56,584	78,427	73,774	65,145	66,760	34,654	59,550	48,679	32,974
Travel	62,889	60,361	72,962	74,039	73,254	79,079	66,725	56,738	63,892	66,636
Depreciation	136,690	137,193	169,124	171,662	195,487	203,657	193,393	204,259	167,350	143,446
Other services	235,146	235,305	305,079	260,530	303,114	265,633	249,416	307,670	373,943	334,245
Cost of sales of HOPE 3 properties	424,875	398,756	444,843	444,843	297,937	116,226	118,582	17,550		
<b>Total expenses</b>	<b>6,234,201</b>	<b>6,301,699</b>	<b>6,346,263</b>	<b>7,277,682</b>	<b>7,449,224</b>	<b>6,965,117</b>	<b>6,876,526</b>	<b>7,570,603</b>	<b>7,180,779</b>	<b>7,577,634</b>
<b>Net income (loss) before depreciation on contributed assets</b>	<b>(2,911)</b>	<b>(9,061)</b>	<b>(1,097)</b>	<b>26,961</b>	<b>31,919</b>	<b>13,112</b>	<b>(17,009)</b>	<b>(36,920)</b>	<b>(21,778)</b>	<b>(33,735)</b>
<b>Add - depreciation on contributed assets</b>	<b>19,543</b>	<b>19,543</b>	<b>19,503</b>	<b>11,416</b>	<b>13,008</b>	<b>24,761</b>	<b>34,099</b>	<b>29,754</b>		
<b>Operating Income (Loss)</b>	<b>16,632</b>	<b>10,482</b>	<b>18,406</b>	<b>38,377</b>	<b>44,927</b>	<b>37,873</b>	<b>17,090</b>	<b>(7,166)</b>	<b>(21,778)</b>	<b>(33,735)</b>
<b>Capital contributions</b>										
<b>Increase (Decrease) in net assets</b>	<b>16,632</b>	<b>10,482</b>	<b>18,406</b>	<b>38,377</b>	<b>44,927</b>	<b>37,873</b>	<b>1,109,859</b>	<b>123,137</b>	<b>51,350</b>	<b>56,593</b>
<b>Net assets, beginning of year</b>	<b>526,287</b>	<b>542,919</b>	<b>553,401</b>	<b>571,807</b>	<b>610,184</b>	<b>655,111</b>	<b>692,984</b>	<b>1,802,843</b>	<b>2,565,639 (1)</b>	<b>2,616,989</b>
<b>Net assets, end of year</b>	<b>\$ 542,919</b>	<b>\$ 553,401</b>	<b>\$ 571,807</b>	<b>\$ 610,184</b>	<b>\$ 655,111</b>	<b>\$ 692,984</b>	<b>\$ 1,802,843</b>	<b>\$ 1,925,980</b>	<b>\$ 2,616,989</b>	<b>\$ 2,673,582</b>

(1) Restated per GASB 34. See Footnote 1

**Mid-Ohio Regional Planning Commission**  
*Schedule of Insurance Coverage*  
 December 31, 2004

<b>Existing coverage - policies in force</b>	<b>Limits of liability</b>
<b>1. Type</b>	<b>Commercial Umbrella</b>
Each Occurrence	\$5,000,000
General Aggregate	\$5,000,000
<i>Local Agent</i>	<i>Wichert Insurance</i>
<i>Insurance Company</i>	<i>Westfield Ins. Co.</i>
	<i>General Star Ins. Co.-Public Officials</i>
<i>Expires</i>	<i>November 1, 2005</i>
<b>2. Type</b>	<b>Commercial General Liability</b>
General Aggregate (Other than Products-Completed Operations)	\$2,000,000
Public Officials Liability (Aggregate Limit)	\$1,000,000
Products-Completed Operations Aggregate Limit	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage Limit (Any One Fire)	\$100,000
Deductible	\$0
<b>3. Type</b>	<b>Employer's Liability</b>
Employer's Liability Stop Gap	\$1,000,000
Deductible (None)	\$0
<b>4. Type</b>	<b>Employee Benefits Liability</b>
Aggregate Limit	\$2,000,000
Each Claim Limit	\$1,000,000
Deductible	\$1,000
<b>5. Type</b>	<b>Crime Coverage</b>
Limit of Liability	
Finance Director	\$100,000
Executive Director	\$100,000
Accounting Manager	\$50,000
Senior Accountant	\$50,000
Human Resources Manager	\$50,000
Public Employee Dishonesty	\$25,000
Deductible	\$500
<b>6. Type</b>	<b>Miscellaneous</b>
Information Technology Coverage	\$250,000
Camera Equipment	\$16,500
Valuable Papers and Records - Cost of Research	\$300,000
Fine Arts	\$0
Builder's Risk/Installation Coverage	\$0
Contractors' Equipment Coverage	\$55,000
Deductible	\$500
<b>7. Type</b>	<b>Commercial Property Coverage</b>
Personal Property - 285 East Main St.	\$750,000
Personal Property - 501 Industry Drive	\$50,000
Extra Expense - 285 East Main St. & 501 Industry Drive	\$250,000
Deductible	\$5,000

(continued)

**Mid-Ohio Regional Planning Commission**  
*Schedule of Insurance Coverage*  
 December 31, 2004

<b>Existing coverage - policies in force</b>	<b>Limits of liability</b>
<b>8. Type</b>	<b>Lead Abatement Coverage for HUD Grant</b>
General Aggregate	
General Aggregate Limit (Other than Products-Completed Operations)	\$5,000,000
Products-Completed Operations Aggregate Limit	\$5,000,000
Personal and Advertising Injury	\$5,000,000
Each Occurrence	\$5,000,000
Fire Damage Limit	\$50,000
Medical Expense Limit	\$5,000
Bodily Injury & Property Damage Deductible	\$1,000
<i>Local Agent</i>	<i>Wichert Insurance</i>
<i>Insurance Company</i>	<i>Bonding and Insurance Specialist</i>
<i>Expires</i>	<i>September 8, 2005</i>
<b>9. Type</b>	<b>Automobile</b>
Limit of Liability	\$1,000,000
Auto Medical Payments (Each Person)	\$5,000
Deductible - Comprehensive Coverage	\$500
Deductible - Collision Coverage	\$500
<i>Local Agent</i>	<i>Wichert Insurance</i>
<i>Insurance Company</i>	<i>Westfield Ins. Co.</i>
<i>Expires</i>	<i>November 1, 2005</i>
<b>10. Type</b>	<b>Building and Contents</b>
Limit of Liability	
Building	\$3,382,500
Deductible	\$5,000
<i>Local Agent</i>	<i>Wichert Insurance</i>
<i>Insurance Company</i>	<i>Westfield Ins. Co.</i>
<i>Expires</i>	<i>November 1, 2005</i>
<b>11. Type</b>	<b>HOPE 3 Home Insurance</b>
<i>Properties without a building are covered under MORPC's general liability coverage</i>	
<b>12. Type</b>	<b>Architects &amp; Engineers Errors &amp; Omissions Insurance</b>
Each Claim	\$1,000,000
Annual Aggregate	\$1,000,000
Deductible	\$5,000
<i>Local Agent</i>	<i>Wichert Insurance</i>
<i>Insurance Company</i>	<i>Landmark America</i>
<i>Expires</i>	<i>September 25, 2005</i>
<b>13. Type</b>	<b>Contractor's Pollution Liability</b>
Aggregate Limit	\$500,000
Each Claim Limit	\$500,000
Deductible	\$2,500
<i>Local Agent</i>	<i>BC Environmental Insurance Brokers</i>
<i>Insurance Company</i>	<i>American Safety Insurance</i>
<i>Expires</i>	<i>October 30, 2005</i>

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

Source: MORPC insurance policies.



**Mid Ohio Regional Planning Commission**

**Area in Square Miles by Member Jurisdiction**

December 31, 2004

Governmental Unit	Area In Square Miles
Ross County less City of Chillicothe	681.97
Delaware County less Cities of Columbus, Delaware, Dublin, Powell and Westerville	428.84
The City of Columbus	219.80
Unincorporated Franklin County	194.01
The City of Dublin	24.33
The City of Delaware	16.95
The City of Grove City	15.56
The City of Hilliard	13.63
The City of Westerville	12.45
The City of Gahanna	11.36
The City of Reynoldsburg	11.52
The City of Upper Arlington	9.89
The City of Chillicothe	10.95
The Village of Groveport	8.96
The City of Pickerington	8.93
The Village of New Albany	10.14
The City of London	8.20
The City of Washington	7.21
The Village of Canal Winchester	6.75
The City of Worthington	6.39
The Village of Obetz	5.66
The City of Whitehall	5.34
The Village of West Jefferson	4.37
The Village of Powell	4.54
The City of Bexley	2.45
The City of Grandview Heights	1.35
The Village of Minerva Park	0.49
The Village of Urbancrest	0.49
The Village of Marble Cliff	0.31
The Village of Riverlea	0.20
The Village of Valley View	0.14
The Village of Brice	0.11
The Village of Lockbourne	0.11
The Village of Harrisburg	0.27
Total area in square miles	<hr/> 1,733.67

Source: County Engineers, MORPC and Member Communities

**Mid-Ohio Regional Planning Commission**

**Benefits of Membership - Flow of Funds**

July 1, 2003 - June 30, 2004

Members/Governmental Unit	Members Dues and Investments	Return Flow of Funds from Federal, State and Utility Companies				
		TOTAL	Transportation	Infrastructure	Housing	Energy Conservation*
<b>Dues</b>						
City of Bexley	\$5,488	\$5,893	\$0	\$0	\$0	\$5,893
City of Chillicothe	\$9,116	6,145	\$0	\$0	\$6,145	\$0
City of Columbus	\$306,554	9,887,419	\$3,628,580	\$5,267,113	\$103,635	\$888,091
City of Delaware	\$12,100	0	\$0	\$0	\$0	\$0
City of Dublin	\$14,906	728,071	\$0	\$728,071	\$0	\$0
City of Gahanna	\$13,858	4,958,012	\$0	\$4,957,137	\$0	\$875
City of Grandview Heights	\$2,778	1,168	\$0	\$0	\$0	\$1,168
City of Grove City	\$12,763	1,856,042	\$0	\$1,794,800	\$44,503	\$16,739
City of Hilliard	\$10,964	132,000	\$0	\$132,000	\$0	\$0
City of London	\$3,759	0	\$0	\$0	\$0	\$0
City of Marysville	\$7,215	27,855	\$0	\$0	\$27,855	\$0
City of Pataskala	\$3,063	0	\$0	\$0	\$0	\$0
City of Pickerington	\$4,860	0	\$0	\$0	\$0	\$0
City of Reynoldsburg	\$13,901	404,984	\$399,579	\$0	\$4,750	\$655
City of Upper Arlington	\$14,024	0	\$0	\$0	\$0	\$0
City of Washington	\$5,696	0	\$0	\$0	\$0	\$0
City of Westerville	\$14,958	3,783,930	\$0	\$3,774,868	\$0	\$9,062
City of Whitehall	\$7,971	2,746,601	\$0	\$2,684,335	\$54,349	\$7,917
City of Worthington	\$5,869	182	\$0	\$0	\$0	\$182
Village of Brice	\$800	0	\$0	\$0	\$0	\$0
Village of Canal Winchester	\$2,198	2,023	\$0	\$0	\$0	\$2,023
Village of Groveport	\$1,869	564,057	\$0	\$549,000	\$13,370	\$1,687
Village of Harrisburg	\$800	0	\$0	\$0	\$0	\$0
Village of Lockbourne	\$800	0	\$0	\$0	\$0	\$0
Village of Marble Cliff	\$800	0	\$0	\$0	\$0	\$0
Village of Minerva Park	\$800	713	\$0	\$0	\$0	\$713
Village of New Albany	\$1,993	1,537,743	\$0	\$1,537,743	\$0	\$0
Village of New Rome	\$0	147	\$0	\$0	\$0	\$147
Village of Obetz	\$1,753	0	\$0	\$0	\$0	\$0
Village of Powell	\$2,994	0	\$0	\$0	\$0	\$0
Village of Riverlea	\$800	14,582	\$0	\$0	\$0	\$14,582
Village of South Bloomfield	\$400	0	\$0	\$0	\$0	\$0
Village of Urbancrest	\$800	5,228	\$0	\$0	\$0	\$5,228
Village of Valleyview	\$800	0	\$0	\$0	\$0	\$0
Village of West Jefferson	\$1,826	0	\$0	\$0	\$0	\$0
Mt Sterling	\$800	0	\$0	\$0	\$0	\$0
Violet Township	\$3,449	0	\$0	\$0	\$0	\$0
Unincorporated Franklin County	\$39,112	6,903,490	\$0	\$6,712,838	\$138,710	\$51,942
Delaware County	\$34,582	734,965	\$520,642	\$0	\$214,323	\$0
Fairfield County	\$5,490	400,000	\$400,000	\$0	\$0	\$0
Fayette County	\$0	0	\$0	\$0	\$0	\$0
Licking County	\$1,410	0	\$0	\$0	\$0	\$0
Ross County - other	\$22,077	214,702	\$0	\$0	\$214,702	\$0
<b>Subtotal</b>	<b>\$596,196</b>	<b>\$34,915,952</b>	<b>\$4,948,801</b>	<b>\$28,137,905</b>	<b>\$822,342</b>	<b>\$1,006,904</b>
<b>Returns-not broken out by community</b>						
Housing	na	\$0	na	na	na	na
COTA	na	18,420,915	18,420,915	na	na	na
Franklin County/Regional	na	97,224,013	97,224,013	0	na	na
<b>Subtotal</b>	<b>\$0</b>	<b>\$115,644,928</b>	<b>\$115,644,928</b>	<b>\$0</b>	<b>\$0</b>	<b>na</b>
<b>Investments</b>						
MORPC Transportation Planning	\$1,445,500	na	na	na	na	na
MORPC Franklin County CDBG/HOME Admin	\$180,000	na	na	na	na	na
MORPC Ross County Admin	\$55,500	na	na	na	na	na
MORPC Chillicothe County Admin	\$28,300	na	na	na	na	na
MORPC Marysville County Admin	\$33,400	na	na	na	na	na
MORPC Infrastructure Admin	\$160,000	na	na	na	na	na
MORPC Energy Conservation Admin	\$628,700	na	na	na	na	na
<b>Subtotal</b>	<b>\$2,531,400</b>	<b>na</b>	<b>na</b>	<b>na</b>	<b>na</b>	<b>na</b>
<b>GRAND TOTAL</b>	<b>\$3,127,596</b>	<b>\$150,560,880</b>	<b>\$120,593,729</b>	<b>\$28,137,905</b>	<b>\$822,342</b>	<b>\$1,006,904</b>

\*Energy Conservation flow of funds by governmental unit are estimated.

This report is compiled from accounting and other financial data and should be considered a non-GAAP report.

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#### **IV. SINGLE AUDIT SECTION**

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

To the Members of  
Mid-Ohio Regional Planning Commission:

We have audited the financial statements of Mid-Ohio Regional Planning Commission ("MORPC") as of and for the year ended December 31, 2004, and have issued our report thereon dated June 20, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered MORPC's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion 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 that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud 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. However, we noted other matters involving the internal control over financial reporting that were issued in a separate letter dated June 20, 2005.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether MORPC's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that were issued in a separate letter dated June 20, 2005.

This report is intended solely for the information and use of MORPC's board, management, its federal awarding agencies, state funding agencies, pass-through entities, and the Ohio Auditor of State and is not intended to be and should not be used by anyone other than these specified parties.

*Deloitte & Touche LLP*

June 20, 2005

## REPORT ON COMPLIANCE AND INTERNAL CONTROL WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM IN ACCORDANCE WITH OMB CIRCUCLUAR A-133 AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To the Members of  
Mid-Ohio Regional Planning Commission:

### Compliance

We have audited the compliance of Mid-Ohio Regional Planning Commission ("MORPC") with the types of compliance requirements described in the *U.S. Office of Management and Budget ("OMB") Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2004. MORPC's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of MORPC's management. Our responsibility is to express an opinion on MORPC's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about MORPC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of MORPC's compliance with those requirements.

In our opinion, MORPC complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2004.

### Internal Control Over Compliance

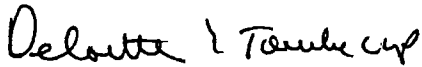
The management of MORPC is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered MORPC's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance 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 reportable 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 grant agreements caused by error or fraud 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 Expenditures of Federal Awards**

We have audited the financial statements of MORPC as of and for the year ended December 31, 2004, and have issued our report thereon dated June 20, 2005. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. This schedule is the responsibility of the management of MORPC. 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.

This report is intended solely for the information and use of MORPC's board, management, its federal awarding agencies, state funding agencies, pass-through entities and the Ohio Auditor of State and is not intended to be and should not be used by anyone other than these specified parties.



June 20, 2005

MID-OHIO REGIONAL PLANNING COMMISSION  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the year ended December 31, 2004

Federal grantor / pass-through grantor/ program title	Federal CFDA number	Pass-through grants number	Program or award amount	Accrued (deferred) revenue at Jan. 1, 2004	Cash Received	Federal Expenditures	Accrued (deferred) revenue at Dec. 31, 2004
<b>Federal Highway Administration:</b>							
<b>Passed through Ohio Department of Transportation:</b>							
FY 2004 Rideshare Program	20.205	465810	508,765	60,184	314,433	254,249	-
FY 2005 Rideshare Program	20.205	465908	535,000	-	124,894	187,583	62,689
Supplemental Planning Activity	20.205	8606/465670	230,000	163	163	-	-
Supplemental Planning 2004	20.205	465807	400,000	42,915	255,057	285,388	79,246
Air Quality Awareness FY 2004	20.205	465811	184,735	27,844	139,595	119,477	7,726
Air Quality Awareness FY 2005	20.205	465909	170,000	-	51,450	63,730	12,280
Columbus Signal Audit & Planning	20.205	465817	240,000	23,875	201,401	195,422	17,896
Travel Model Improvement Study II	20.205	9219/462700	750,000	2,350	21,638	-	435
Coordinated Traveler Info	20.205	9219/463820	250,000	3,623	463,916	374,413	17,213
I-270/US 33 MIS	20.205	465660	796,398	106,716	463,916	374,413	17,213
Total Ohio Department of Transportation				267,670	1,574,897	1,498,712	191,485
Total Federal Highway Administration				267,670	1,574,897	1,498,712	191,485
<b>Federal Transit Administration:</b>							
<b>Passed through Ohio Department of Transportation:</b>							
FY 2004	20.505	165041	1,263,645	137,294	874,113	736,819	-
FY 2005	20.505	165051	1,345,959	-	423,933	597,105	179,172
Total Ohio Department of Transportation				137,294	1,298,046	1,333,924	179,172
<b>Passed through Central Ohio Transit Authority:</b>							
North Corridor LRT PE	20.500	0937T	58,000	4,786	23,448	20,197	1,535
Total Central Ohio Transit Authority				4,786	23,448	20,197	1,535
Total Federal Transit Administration				142,080	1,321,494	1,354,121	174,707
<b>U.S. Department of Energy:</b>							
<b>Passed Through Ohio Department of Development:</b>							
Weatherization Assistance FY 2003 #140	81.042	03-140	349,999	(12,284)	34,144	46,428	-
Weatherization Assistance FY 2004 #140	81.042	04-140	349,999	-	245,622	248,141	2,519
Total Ohio Department of Development				(12,284)	279,766	294,569	2,519
Total U.S. Department of Energy				(12,284)	279,766	294,569	2,519
<b>U.S. Department of Health and Human Services:</b>							
<b>Passed Through Ohio Department of Development:</b>							
Weatherization Assistance FY 2003 #140	93.568	03-140	351,753	(27,779)	49,686	77,465	(31,339)
Weatherization Assistance FY 2004 #140	93.568	04-140	314,117	-	111,351	80,012	(31,339)
Total for CFDA 93.568				(27,779)	161,037	157,477	(31,339)
Total U.S. Department of Health and Human Services				(27,779)	161,037	157,477	(31,339)

See notes to financial statements.



MID-OHIO REGIONAL PLANNING COMMISSION  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the year ended December 31, 2004

Federal grantor / pass-through grantor/ program title	Federal CFDA number	Pass-through grantor's number	Program or award amount	Accrued (deferred) revenue at Jan. 1, 2004	Cash Received	Federal Expenditures	Accrued (deferred) revenue at Dec. 31, 2004
<b>U.S. Department of Housing and Urban Development:</b>							
HOPE 3 Sales Proceeds	14.240	N/A	-	(3,067) ***	865	50,689	46,757
Homebuyer Counseling 2003	14.240		18,667	4	18,667	18,663	-
Homebuyer Counseling 2004	14.240	HC-0361-04-1	27,500	-	-	107	107
Total CFDA 14.240				(3,063)	19,532	69,459	46,864
<b>Passed through the City of Columbus:</b>							
Community Development Block Grant							
Columbus Homebuyer Counseling	14.218	DL005778	25,000	7,618	14,059	6,441	-
Columbus Homebuyer Counseling 2004	14.218	DL008269	30,000	-	14,458	16,193	1,735
FY 2003 Columbus Hsg Advisory Bd.	14.218	DE045485	6,000	215	2,480	2,265	-
FY 2004 Columbus Hsg Advisory Bd.	14.218	DE054553	10,000	-	2,945	6,787	3,842
Total City of Columbus				7,833	33,942	31,686	5,577
<b>Passed through Franklin County:</b>							
Community Development Block Grant							
FY 2003 - Housing Advisory Board	14.218	N/A	6,000	1,345	4,560	3,215	-
FY 2004 - Housing Advisory Board	14.218	N/A	6,000	-	1,322	2,609	1,287
FY 2003 - Single Family Rehab	14.218	N/A	72,000	48,014	59,295	11,281	-
Total Franklin County CDFDA #14.218				49,359	65,177	17,105	1,287
<b>Passed through Franklin County:</b>							
HOME Program							
FY 2003 - Single Family Rehab	14.239	N/A	223,200	20,352	169,533	149,181	-
FY 2004 - Single Family Rehab	14.239	N/A	843,750	-	127,185	244,622	117,437
Total Franklin County CDFDA #14.239				20,352	296,718	393,803	117,437
<b>Passed through Ohio Department of Development through Ross County</b>							
Improvement Program							
FY 2002 Comprehensive Housing	14.228	N/A	100,200	17,674	43,669	25,995	-
FY 2004 Comprehensive Housing	14.228	B-C-04-066-1	110,200	-	-	3,646	3,646
<b>Passed through Ohio Department of Development through Delaware County</b>							
Comprehensive Housing							
Improvement Program	14.228	N/A	50,000	6,052	14,860	10,462	1,654
<b>Passed through Ohio Department of Development through City of Marysville</b>							
Improvement Program							
FY 2003 Comprehensive Housing	14.228	N/A	146,000	2,599	53,782	68,993	17,750

See notes to financial statements.

MID-OHIO REGIONAL PLANNING COMMISSION  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the year ended December 31, 2004

Federal grantor / pass-through grantor/ program title	Federal CFDA number	Pass-through grantor's number	Program or award amount	Accrued (deferred) revenue at Jan. 1, 2004	Cash Received	Federal Expenditures	Accrued (deferred) revenue at Dec. 31, 2004
<b>Passed through Ohio Department of Development through City of Chillicothe</b>							
FY 2003 Comprehensive Housing Improvement Program	14.228	N/A	117,700	1,738	46,649	59,933	15,022
Total CFDA #14.228			524,100	28,063	156,960	166,969	38,072
<b>Total U.S. Department of Housing and Urban Development</b>							
				102,544	574,329	681,022	209,237
<b>Temporary Assistance for Needy Families (TANF)</b>							
<b>Passed Through Ohio Department of Development</b>							
TANF Homebuyer Program	93.558	N-J-02-760-1	75,000	14,144	57,723	43,579	
<b>Empowerment Zone Block Grant</b>							
<b>Passed through the Columbus Compact Corporation</b>							
Columbus Compact Rehab Project	14.244	NL-2002-1	500,000	(30,345)	133,580	170,042	6,117
<b>Passed through Enterprise Foundation</b>							
Community Development Block Grant	N/A	03SG211	10,000	10,000	10,000		
Enterprise Foundation	N/A	04SG134	9,000		9,000		(9,000)
<b>Total Federal Financial Assistance Program</b>							
				466,030	4,121,826	4,199,522	543,726

\*\* Includes \$2,865 of contributed capital expenditures relating to the purchase of equipment.

See notes to financial statements.

# **MID-OHIO REGIONAL PLANNING COMMISSION**

## **NOTES TO SCHEDULE OF FEDERAL AWARDS AS OF DECEMBER 31, 2004**

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### **1. GENERAL**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial award programs of MORPC. MORPC's reporting entity is defined in Note 1 to MORPC's financial statements.

### **2. BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to MORPC's financial statements.

### **3. RELATIONSHIP OF FEDERAL FINANCIAL REPORTS**

Amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial statements.

# MID-OHIO REGIONAL PLANNING COMMISSION

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS DECEMBER 31, 2004

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### 1. SUMMARY OF AUDITORS' RESULTS

- (a) The type of report issued on the financial statements: **Unqualified opinion**
- (b) Reportable conditions in internal control were disclosed by the audit of the financial statements: **None reported**
- (c) Noncompliance which is material to the financial statements: **None**
- (d) Reportable conditions in internal control over the major program: **None reported**
- (e) The type of report issued on compliance for the major program: **Unqualified opinion**
- (f) Any audit findings which are required to be reported under section .510(a) of OMB Circular A-133: **None**
- (g) Major programs: **Federal Transit Metropolitan Planning Grant (CFDA 20.505)**
- (h) Dollar threshold used to distinguish between Type A and Type B programs: **\$300,000**
- (i) Auditee qualified as a low-risk auditee under section .530 of OMB Circular A-133: **Yes**

### 2. FINDINGS RELATING TO THE GENERAL PURPOSE FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

None

### 3. FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL AWARDS

None



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**MID-OHIO REGIONAL PLANNING COMMISSION**

**FRANKLIN COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
AUGUST 30, 2005**