



**Auditor of State  
Betty Montgomery**



**DELAWARE COUNTY REGIONAL PLANNING COMMISSION  
DELAWARE COUNTY**

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**Auditor of State  
Betty Montgomery**

Delaware County Regional Planning Commission  
Delaware County  
109 North Sandusky Street  
Delaware, Ohio 43015

To the Board of Commissioners:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

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**Betty Montgomery**  
Auditor of State

July 20, 2006

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Delaware County Regional Planning Commission  
Delaware County  
109 North Sandusky Street  
Delaware, Ohio 43015

To the Board of Commissioners:

We have audited the accompanying financial statements of the Delaware County Regional Planning Commission, Delaware County, Ohio, (the Commission) as of and for the years ended December 31, 2005 and 2004. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As described more fully in Note 1, the Commission has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Revisions to GAAP would require the Commission to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2005, and December 31, 2004. Instead of the funds the accompanying financial statements present for 2005 and 2004, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2005 and 2004. While the Commission does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Commission has elected not to reformat its statements. Since this Commission does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2005, and December 31, 2004, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Commission as of December 31, 2005 and 2004, or its changes in financial position for the year then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances and reserves for encumbrances of the Commission, as of December 31, 2005 and 2004, and its cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Commission to include Management's Discussion and Analysis for the years ended December 31, 2005, and December 31, 2004. The Commission has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2006, on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



**Betty Montgomery**  
Auditor of State

July 20, 2006

**DELAWARE COUNTY REGIONAL PLANNING COMMISSION  
DELAWARE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
GENERAL AND AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>General</u>	<u>Agency</u>	<u>Totals (Memorandum Only)</u>
<b>Cash Receipts:</b>			
Development Fees	\$232,378	\$29,440	\$261,818
Fees Charged to Subdivisions	218,369	0	218,369
Contractual Services	48,029	0	48,029
Other Receipts	9,043	0	9,043
	<u>507,819</u>	<u>29,440</u>	<u>537,259</u>
<b>Total Cash Receipts</b>			
<b>Cash Disbursements:</b>			
Salaries	455,204	0	455,204
Supplies	9,726	0	9,726
Contracts - Services	43,948	0	43,948
Travel	385	0	385
Public Employee's Retirement	51,268	0	51,268
Worker's Compensation	2,804	0	2,804
Other	12,960	29,440	42,400
	<u>576,295</u>	<u>29,440</u>	<u>605,735</u>
<b>Total Disbursements</b>			
Total Receipts Over/(Under) Disbursements	(68,476)	0	(68,476)
Fund Cash Balances, January 1	<u>102,897</u>	<u>0</u>	<u>102,897</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$34,421</u></b>	<b><u>\$0</u></b>	<b><u>\$34,421</u></b>
Reserve for Encumbrances, December 31	<u>\$3,845</u>	<u>\$0</u>	<u>\$3,845</u>

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

**DELAWARE COUNTY REGIONAL PLANNING COMMISSION  
DELAWARE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
GENERAL AND AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<u>General</u>	<u>Agency</u>	<u>Totals (Memorandum Only)</u>
<b>Cash Receipts:</b>			
Development Fees	\$258,523	\$56,714	\$315,237
Fees Charged to Subdivisions	152,752	0	152,752
Contractual Services	69,381	0	69,381
Other Receipts	13,571	0	13,571
	<u>494,227</u>	<u>56,714</u>	<u>550,941</u>
<b>Cash Disbursements:</b>			
Salaries	433,556	0	433,556
Supplies	13,669	0	13,669
Contracts - Repair	383	0	383
Contracts - Services	41,035	0	41,035
Travel	2,599	0	2,599
Public Employee's Retirement	49,456	0	49,456
Worker's Compensation	3,046	0	3,046
Other	19,009	56,714	75,723
	<u>562,753</u>	<u>56,714</u>	<u>619,467</u>
Total Receipts Over/(Under) Disbursements	(68,526)	0	(68,526)
Fund Cash Balances, January 1	<u>171,423</u>	<u>0</u>	<u>171,423</u>
<b>Fund Cash Balances, December 31</b>	<b><u>\$102,897</u></b>	<b><u>\$0</u></b>	<b><u>\$102,897</u></b>
Reserve for Encumbrances, December 31	<u>\$2,217</u>	<u>\$0</u>	<u>\$2,217</u>

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

**DELAWARE COUNTY REGIONAL PLANNING COMMISSION  
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The constitution and laws of the State of Ohio establish the rights and privileges for the Delaware County Regional Planning Commission, Delaware County, Ohio, (the Commission) as a body corporate and politic. A five member Board governs the Commission. The Board consists of representatives from participating political subdivisions, the county commissioners, and appointed citizens. The Commission formulates and reviews plans affecting long and short term social, economic, and governmental development within the region. There are 27 participating subdivisions which include 18 townships, 5 villages, 2 cities, and Delaware County.

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

**B. Basis of Accounting**

These financial statements follow the basis of accounting the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. This basis recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

**C. Cash and Investments**

As the Ohio Revised Code requires, the Delaware County Treasurer is the custodian of the Commission's monies. The County holds the Commission's assets in its cash and investment pool, valued at the County Treasurer's reported carrying amount.

**D. Fund Accounting**

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

**1. General Fund**

The General Fund reports all financial resources except those required to be accounted for in another fund.

**2. Agency Fund**

This fund accounts for resources for which the Commission is acting in an agency capacity.

**E. Budgetary Process**

The Commission budgets the general fund annually.

**DELAWARE COUNTY REGIONAL PLANNING COMMISSION  
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

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

**E. Budgetary Process (Continued)**

**1. Appropriations**

The Board annually approves appropriations and subsequent amendments. Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the object level of control. Unencumbered appropriations lapse at year end.

**2. Estimated Resources**

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

**3. Encumbrances**

The Commission reserves (encumbers) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2005 and 2004 budgetary activity appears in Note 2.

**F. Property, Plant, and Equipment**

The Commission records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

**G. Accumulated Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

**2. BUDGETARY ACTIVITY**

Budgetary activity for the years ending December 31, 2005, and December 31, 2004, follows:

2005 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$623,449	\$507,819	(\$115,630)

2005 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$618,400	\$580,140	\$38,260

**DELAWARE COUNTY REGIONAL PLANNING COMMISSION  
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2005 AND 2004  
(Continued)**

**2. BUDGETARY ACTIVITY (Continued)**

2004 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$548,253	\$494,227	(\$54,026)

2004 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$624,199	\$564,970	\$59,229

**3. RETIREMENT SYSTEM**

The Commission's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes retirement benefits, including postretirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2005 and 2004, OPERS members contributed 8.5 percent of their gross salaries. The Commission contributed an amount equal to 13.55 percent of participants' gross salaries. The Commission has paid all contributions required through December 31, 2005.

**4. RISK MANAGEMENT**

**Commercial Insurance**

The Commission has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

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**Auditor of State  
Betty Montgomery**

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

Delaware County Regional Planning Commission  
Delaware County  
109 North Sandusky Street  
Delaware, Ohio 43015

To the Board of Commissioners:

We have audited the financial statements of the Delaware County Regional Planning Commission, Delaware County, Ohio, (the Commission) as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated July 20, 2006, wherein we noted the Commission followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Commission's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting 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 material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses.

**Compliance and Other Matters**

As part of reasonably assuring whether the Commission's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matter that we must report under *Government Auditing Standards*, which is described in the accompanying schedule of findings as item 2005-001.

We intend this report solely for the information and use of the audit committee, management, and the Board of Commissioners. It is not intended for anyone other than these specified parties.

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

**Betty Montgomery**  
Auditor of State

July 20, 2006

**DELAWARE COUNTY REGIONAL PLANNING COMMISSION  
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2005 AND 2004**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2005-001**

**Finding for Recovery Repaid Under Audit**

Ohio Rev. Code §713.21(A) provides in part that the proportion of the costs of regional planning to be borne respectively by the various municipal corporations, townships, and counties in the region and by other participating units of local government shall be determined by a majority of the planning commissions and boards. Boards of township trustees, boards of county commissioners, and legislative authorities of municipal corporations, and the governing bodies of other participating units of local government, may appropriate their respective shares of the costs of regional planning. Those sums shall be paid into the treasury of the county in which the greater portion of the population of the region is located.

For 2004, the subdivision fees owed from Delaware County were \$87,491 based on the population of Delaware County. However, the subdivision fees actually paid by Delaware County were only \$84,791 due to an apparent transposition error.

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public money due but uncollected would have been issued against Delaware County in the amount of two thousand seven hundred dollars (\$2,700).

On July 20, 2006, Delaware County paid \$2,700 to the Delaware County Regional Planning Commission.

**Officials' Response**

This error was an isolated incident caused by a transposition error at Delaware County. Future receipts will be monitored closely to ensure that any such future errors will not go undetected.





**Auditor of State  
Betty Montgomery**

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

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**REGIONAL PLANNING COMMISSION**

**DELAWARE 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 22, 2006**