



**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**REGULAR AUDIT**

**FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**



**Dave Yost • Auditor of State**



**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Crawford Regional Planning Commission  
Crawford County  
112 East Mansfield Street  
Bucyrus, Ohio 44820

To the Board of Commissioners:

We have audited the accompanying financial statements of the governmental activities and the major fund of the Crawford Regional Planning Commission, Crawford County, Ohio, (the Commission), as of and for the years ended December 31, 2011 and 2010, which collectively comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express opinions 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 opinions.

As discussed in Note 2, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities and the major fund of the Crawford Regional Planning Commission, Crawford County, Ohio, as of December 31, 2011 and 2010, and the respective changes in cash financial position and the budgetary comparison for the General fund for the years then ended in conformity with the accounting basis Note 2 describes.

As described in Note 3, during 2010 the Commission adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2012, 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.

We conducted our audit to opine on the Commission's financial statements taken as a whole. Management's Discussion & Analysis includes tables of net assets, changes in net assets, and governmental activities. These tables provide additional information, but are not part of the basic financial statements. However these tables are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These tables were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. Other than the aforementioned procedures applied to the tables, we applied no procedures to any other information in Management's Discussion & Analysis, and we express no opinion or any other assurance on it.



**Dave Yost**  
Auditor of State

May 10, 2012

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
UNAUDITED**

The discussion and analysis of the Regional Planning Commission's (the Commission) financial performance provides a review of the Commission's financial activities for the years ended December 31, 2011 and 2010, within the limitations of the Commission's cash basis of accounting. The intent of this discussion and analysis is to provide readers with a general explanation of the Commission's financial performance. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the Commission's financial performance.

**Using the Basic Financial Statements**

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Commission's cash basis of accounting.

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Commission as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities and conditions on a cash basis of accounting.

The Statement of Net Assets - Cash Basis and Statement of Activities - Cash Basis provide information about the activities of the whole Commission, presenting both an aggregate view of the Commission's finances and a longer-term view of those finances. Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Commission as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

**Basis of Accounting**

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Commission has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Commission's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
UNAUDITED  
(Continued)**

***Reporting the Regional Planning Commission as a Whole***

The statement of net assets and the statement of activities reflect how the Commission did financially during 2011 and 2010, within the limitations of the cash basis of accounting. The Statement of Net Assets - Cash Basis presents the cash balance of the governmental activities of the Commission at year end. The Statement of Activities - Cash Basis compares disbursements with program receipts for each governmental activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of disbursements with program receipts identifies how each governmental function draws from the Commission's general receipts.

These statements report the Commission's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, these changes can be one way to measure the Commission's financial health. Over time, increases or decreases in the Commission's cash position are one indicator of whether the Commission's financial health is improving or deteriorating. When evaluating the Commission's financial condition, other nonfinancial factors should also be considered, such as the Commission's census as the base for subdivision charges and the reliance on non-local financial resources for operations and the need for continued growth.

The Statement of Net Assets - Cash Basis reports all of the Commission's activities, which are governmental. Subdivision charges and grant administration finance most of these activities.

***Reporting the Regional Planning Commission's Most Significant Fund  
Fund Financial Statements***

Fund financial statements provide detailed information about the Commission's fund.

The Commission's activities are reported in a governmental fund. The governmental fund financial statements provide a detailed short-term view of the Commission's governmental operations and the planning services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Commission's programs. The Commission's governmental fund is the General Fund.

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
UNAUDITED  
(Continued)**

**The Regional Planning Commission as a Whole**

Table 1 provides a summary of the Commission's net assets on a cash basis for 2011 as compared to 2010 and 2009:

**Table 1  
Net Assets - Cash Basis**

	<b>Governmental Activities</b>		
	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>Assets</b>			
Cash and Cash Equivalents	\$45,685	\$27,883	\$33,689
<b>Net Assets</b>			
Unrestricted	45,685	27,883	33,689
<b>Total Net Assets</b>	<b>\$45,685</b>	<b>\$27,883</b>	<b>\$33,689</b>

As reflected in the table above, net assets increased to \$45,685 in 2011 from \$27,883 in 2010. This 64 percent increase is largely attributable to the Commission receiving more receipts from administering CDBG formula grants. Net assets decreased from \$27,883 to \$33,689, or 17 percent, between 2009 and 2010 due to disbursements made for the biannual audit.

Table 2 reflects the changes in net assets for 2011, 2010 and 2009.

**Table 2  
Change in Net Assets - Cash Basis**

	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>Program Cash Receipts</b>			
Charges for Services	\$66,715	\$44,783	\$42,015
<b>Total Program Cash Receipts</b>	<b>66,715</b>	<b>44,783</b>	<b>42,015</b>
<b>Total Receipts</b>	<b>66,715</b>	<b>44,783</b>	<b>42,015</b>
<b>Disbursements</b>			
Planning	48,913	50,589	50,674
<b>Total Disbursements</b>	<b>48,913</b>	<b>50,589</b>	<b>50,674</b>
<b>Change in Net Assets</b>	<b>17,802</b>	<b>(5,806)</b>	<b>(8,659)</b>
<b>Net Assets Beginning of Year</b>	<b>27,883</b>	<b>33,689</b>	<b>42,348</b>
<b>Net Assets End of Year</b>	<b>\$45,685</b>	<b>\$27,883</b>	<b>\$33,689</b>

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
UNAUDITED  
(Continued)**

Program receipts accounted for all of the Commission's receipts for the years 2009 through 2011. These receipts consist primarily of fees, charges for services, and charges to member subdivisions. The Commission received charges for services receipts for administering CDBG formula grants for the years 2009 through 2011 that contributed to an overall increase in receipts in 2011 compared to 2010 and 2009.

**Governmental Activities**

Table 3 indicates the total cost of services and the net cost of services. The Statement of Activities - Cash Basis reflects the cost of program services and the charges for services and operating grants and contributions offsetting those services. The total cost of services represents expenses related to planning issues and special projects, and administration of a Community Development Block Grant (CDBG) program. The net cost of services identifies the cost of those services supported by subdivision charges, and payment for administering the CDBG program.

**Table 3  
Governmental Activities**

	<b>Total Cost of Services</b>			<b>Net Cost of Services</b>		
	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Planning	\$48,913	\$50,589	\$50,674	\$17,802	(\$5,806)	(\$8,659)
<b>Total Disbursements</b>	<b>\$48,913</b>	<b>\$50,589</b>	<b>\$50,674</b>	<b>\$17,802</b>	<b>(\$5,806)</b>	<b>(\$8,659)</b>

For 2011, program receipts exceeded the cost of providing services. The negative net cost of services for 2010 resulted primarily from the Commission paying for the statutorily required audit services.

**The Regional Planning Commission's Fund**

In 2011, the Regional Planning Commission Fund had total receipts of \$66,715, disbursements of \$48,913, and an increase in cash balance of \$17,802. The increase in cash balance was primarily due to the Commission receiving fees from administering Community Development Block Grants for Galion, Bucyrus, and Crawford County.

In 2010, the cash balance decreased by \$5,806, and is mostly attributable to costs associated with the required biannual audit.

**General Fund Budgeting Highlights**

The Commission's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

The Commission did not amend its estimated revenues or appropriations in 2011. During the course of 2010, the Commission amended its estimated revenues to account for the decrease in County grant funding. In 2010, the Commission also amended its appropriations, and the budgetary statement reflects both the original and final appropriated amounts. The Commission amended appropriations in 2010 to allow for additional advertising costs related to the administration of three CDBG formula programs.

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
UNAUDITED  
(Continued)**

**Contacting the Regional Planning Commission's Financial Management**

This financial report is designed to provide a general overview of the Commission's finances for all those with an interest in the Commission's finances and to reflect the Commission's accountability for the money it receives. Questions concerning any of the information in this report or requests for additional information should be directed to the Crawford Regional Planning Commission, 112 East Mansfield Street, Suite 207, Bucyrus, Ohio 44820.

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**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**STATEMENT OF NET ASSETS - CASH BASIS  
DECEMBER 31, 2011**

	<u>Governmental Activity</u>
<b>Assets</b>	
Cash and Cash Equivalents	<u>\$ 45,685</u>
<i>Total Assets</i>	<u><u>45,685</u></u>
<b>Net Assets</b>	
Unrestricted	<u>45,685</u>
<i>Total Net Assets</i>	<u><u>\$ 45,685</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	Cash Disbursements	Program Receipts Charges for Services	Net Receipts and Change in Net Assets Governmental Activity
<b>Governmental Activity</b>			
Planning	\$ 48,913	\$ 66,715	\$ 17,802
		<i>Net Assets Beginning of Year</i>	27,883
		<i>Net Assets End of Year</i>	\$ 45,685

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCE  
DECEMBER 31, 2011**

	<u>General</u>
<b>Assets</b>	
Cash and Cash Equivalents	<u>\$ 45,685</u>
<b>Fund Balance</b>	
Unassigned	<u>45,685</u>
<i>Total Fund Balance</i>	<u>\$ 45,685</u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGE IN CASH BASIS  
FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>General</u>
<b>Receipts</b>	
Charges for Services - Grant Administration	\$ 49,200
Subdivision Charges	<u>17,515</u>
<i>Total Receipts</i>	<u>66,715</u>
<b>Disbursements</b>	
Current:	
Planning	<u>48,913</u>
<i>Net Change in Fund Balance</i>	17,802
<i>Fund Balance Beginning of Year</i>	<u>27,883</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 45,685</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Charges for Services - Grant Administration	\$ 39,400	\$ 39,400	\$ 49,200	\$ 9,800
Subdivision Charges	17,515	17,515	17,515	0
<i>Total Receipts</i>	<u>56,915</u>	<u>56,915</u>	<u>66,715</u>	<u>9,800</u>
<b>Disbursements</b>				
Current:				
Planning				
Personal Services	49,335	49,335	47,270	2,065
Materials and Supplies	1,000	1,000	697	303
Contractual Services	2,043	2,043	-	2,043
Capital Outlay	500	500	-	500
Other	3,000	3,000	946	2,054
<i>Total Disbursements</i>	<u>55,878</u>	<u>55,878</u>	<u>48,913</u>	<u>6,965</u>
<i>Net Change in Fund Balance</i>	1,037	1,037	17,802	16,765
<i>Fund Balance Beginning of Year</i>	<u>27,883</u>	<u>27,883</u>	<u>27,883</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 28,920</u></u>	<u><u>\$ 28,920</u></u>	<u><u>\$ 45,685</u></u>	<u><u>\$ 16,765</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**STATEMENT OF NET ASSETS - CASH BASIS  
DECEMBER 31, 2010**

	<u>Governmental Activity</u>
<b>Assets</b>	
Cash and Cash Equivalents	<u>\$ 27,883</u>
<i>Total Assets</i>	<u><u>27,883</u></u>
<b>Net Assets</b>	
Unrestricted	<u>27,883</u>
<i>Total Net Assets</i>	<u><u>\$ 27,883</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Program Receipts	Net Disbursements and Change in Net Assets
Cash Disbursements	Charges for Services	Governmental Activity
<b>Governmental Activity</b>		
Planning	<u>\$ 44,783</u>	<u>\$ (5,806)</u>
	<i>Net Assets Beginning of Year</i>	<u>33,689</u>
	<i>Net Assets End of Year</i>	<u><u>\$ 27,883</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCE  
DECEMBER 31, 2010**

	<u>General</u>
<b>Assets</b>	
Cash and Cash Equivalents	<u>\$ 27,883</u>
<b>Fund Balance</b>	
Unassigned	<u>27,883</u>
<i>Total Fund Balance</i>	<u>\$ 27,883</u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGE IN CASH BASIS  
FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>General</u>
<b>Receipts</b>	
Charges for Services - Grant Administration	\$ 27,268
Subdivision Charges	<u>17,515</u>
<i>Total Receipts</i>	<u>44,783</u>
<b>Disbursements</b>	
Current:	
Planning	<u>50,589</u>
<i>Net Change in Fund Balance</i>	(5,806)
<i>Fund Balance Beginning of Year</i>	<u>33,689</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 27,883</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>			Variance With
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b>Receipts</b>				
Charges for Services - Grant Administration	\$ 28,600	\$ 28,600	\$ 27,268	\$ (1,332)
Subdivision Charges	17,515	17,515	17,515	0
County Grant	25,000	0	0	0
<i>Total Receipts</i>	<u>71,115</u>	<u>46,115</u>	<u>44,783</u>	<u>(1,332)</u>
<b>Disbursements</b>				
Current:				
Planning				
Personal Services	49,335	49,335	47,031	2,304
Materials and Supplies	1,000	1,000	628	372
Contractual Services	2,043	2,043	1,625	418
Capital Outlay	500	500	0	500
Other	2,166	3,000	1,305	1,695
<i>Total Disbursements</i>	<u>55,044</u>	<u>55,878</u>	<u>50,589</u>	<u>5,289</u>
<i>Net Change in Fund Balance</i>	16,071	(9,763)	(5,806)	3,957
<i>Fund Balance Beginning of Year</i>	33,523	33,523	33,523	0
Prior Year Encumbrances Appropriated	<u>166</u>	<u>166</u>	<u>166</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 49,760</u>	<u>\$ 23,926</u>	<u>\$ 27,883</u>	<u>\$ 3,957</u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

**Note 1 - Reporting Entity**

The Crawford Regional Planning Commission, Crawford County, Ohio, (the Commission) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Commission was formed for the purpose of providing cooperation in planning for land use, systems of transportation, highways, parks and recreational facilities, water supply, sewage disposal, garbage disposal, civic centers and other public improvements which affect the development of the region. The Commission is directed by a 35 member Board. The Board consists of representatives from participating political subdivisions, the county commissioners, and certain other county officials. The participating subdivisions are:

Auburn Township	Jefferson Township	Vernon Township
Bucyrus Township	Liberty Township	Whetstone Township
Chatfield Township	Lykens Township	Village of New Washington
Cranberry Township	Polk Township	Village of Crestline
Dallas Township	Sandusky Township	City of Bucyrus
Holmes Township	Texas Township	City of Galion
Jackson Township	Tod Township	

The reporting entity is composed of the primary government.

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

**Note 2 - Summary of Significant Accounting Policies**

As discussed further in Note 2C., these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. Following are the more significant of the Commission's accounting policies.

A. Basis of Presentation

The Commission's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

The statement of net assets and the statement of activities display information about the Commission as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

A. Basis of Presentation (Continued)

Government-Wide Financial Statements

The statement of net assets presents the cash balance of the governmental activity of the Commission at year end. The statement of activities compares disbursements and program receipts for each program or function of the Commission's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Commission is responsible. Program receipts include charges paid by the recipient of the goods or services offered by the program and grants that are restricted to meeting the operational requirements of a particular program.

Receipts which are not classified as program receipts are presented as general receipts of the Commission, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental program is self-financing on a cash basis or draws from the general receipts of the Commission.

Fund Financial Statements

During the year, the Commission segregates transactions related to certain Commission functions or activities in a fund in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Commission at this more detailed level.

B. Fund Accounting

The Commission uses a fund to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Commission classifies its fund as governmental.

Governmental Fund

The governmental fund finances all governmental functions of the Commission. The following is the Commission's major governmental fund:

General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the Commission for any purpose provided it is expended or transferred according to the general laws of Ohio.

C. Basis of Accounting

The Commission's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Commission's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Commission are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

D. Budgetary Process

The Board makes appropriations for its expenditures for the upcoming year at the regular meeting held in December. Appropriations may be modified or supplemented from time to time during the year, and shall be in accordance with the same budgetary statutes as used by Crawford County, which is the designated fiscal agent of the Commission under Ohio Revised Code. The amounts reported as the original budgeted amounts reflect the first appropriation resolution that covered the entire year. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Commission during the year.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Commission. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Commission.

E. Cash and Cash Equivalents

As required by Ohio Revised Code, the Crawford County Treasurer is the custodian of the Commission's monies. The Commission's assets are held in Crawford County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the Crawford County Auditor's Office, 112 East Mansfield Street, Bucyrus, Ohio 44820.

F. Capital Assets

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

G. Accumulated Leave

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

H. Employer Contributions to Cost-Sharing Pension Plans

The Commission recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits.

I. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Commission's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

The government-wide statement of net assets reports no restricted net assets.

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

J. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Commission is bound to observe constraints imposed upon the use of the resources in governmental funds. The classifications are as follows:

Nonspendable - The nonspendable classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash.

Restricted - The restricted classification includes amounts restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

Committed - The committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Commission. The committed amounts cannot be used for any other purpose unless the Commission removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Commission, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned classification are intended to be used by the Commission for specific purposes but do not meet the criteria to be classified as restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Commission or by a Commission official delegated that authority by resolution.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications.

The Commission first applies restricted resources when an expenditure is incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used.

**Note 3 - Change in Accounting Principle and Restatement of Net Assets/Fund Equity**

For 2010 and 2011, the Commission implemented Governmental Accounting Standard Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of GASB Statement No. 54 did not have a material effect on the financial statements of the Commission.

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 4 - Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Change in Fund Balance - Budget and Actual - Budgetary Basis presented for the General Fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as expenditures (budgetary basis) rather than as a reservation of fund balance (cash basis). There were no encumbrances outstanding at December 31, 2011 and December 31, 2010 (budgetary basis).

**Note 5 - Subdivision Charges**

The Commission receives revenue from charges to member subdivisions. The charges are based upon per capita data. Subdivision fees are based on a sixteen-cent per capita charge.

**Note 6 - Risk Management**

The Commission is included in Crawford County's commercial insurance policies for the following risks:

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

During 2011, Crawford County contracted with Midland Service Agency, Inc. for its insurance. Comprehensive property insurance has a limit of \$53,135,380. The primary general liability limit is \$3,000,000.

Settled claims have not exceeded commercial coverage in any of the past three years, and there has been no significant reduction in coverage from the prior year.

**Note 7 - Defined Benefit Pension Plans**

The Commission participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 7 - Defined Benefit Pension Plans (Continued)**

For 2011 and 2010, the Commission's employee, who is a member of the traditional plan, was required to contribute 10 percent of annual covered salary to fund pension obligations. The Commission's contribution rate for pension benefits for 2011 and 2010 was 14 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Commission's required contribution for pension obligations to the traditional plan for the years ended December 31, 2011, 2010, and 2009 were \$3,823, \$3,278, and \$2,975, respectively; 89 percent has been contributed for 2011 and 100 percent has been contributed for 2010 and 2009.

**Note 8 - Postemployment Benefits**

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2011 and 2010 employer contribution rates were 14 percent of covered payroll; 4 percent was the portion used to fund health care in 2011; and the portion used to fund health care was 5.5 percent from January 1, through February 28, 2010, and 5 percent from March 1 through December 31, 2010.

Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding postemployment health care benefits. The portion of the employer contribution allocated to health care for members in the traditional plan was 4 percent during 2011.

The OPERS retirement board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or the retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the postemployment health care plan.

The Health Care Preservation Plan (HCCP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employers contribution rates increased on January 1 of each year from 2006 to 2008. These rate increases allowed additional funds to be allocated to the health care plan.

**Note 9 - Contingent Liabilities**

Amounts grantor agencies pay to the Commission are subject to audit and adjustment by the grantor. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**CRAWFORD REGIONAL PLANNING COMMISSION  
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010  
(Continued)**

**Note 10 - In-Kind Support**

The Commission entered into a Memorandum of Understanding with the Crawford County Commissioners for the Crawford County Commissioners to provide the Commission funding and in-kind support through December 31, 2011, consisting of the following:

- 1.) The Crawford County Commissioners will assume the full cost of the employer's share of health insurance for the Director position of the Commission;
- 2.) The Crawford County Commissioners will provide funding in the amount of the difference between the Commission annual budget and the amount the Commission will receive in Formula and RLF administration fees, and Commission per capita assessment of .16/person per each member-jurisdiction;
- 3.) The Crawford County Commissioners will provide the Commission Director use of county office space, county office equipment and supplies.

This arrangement will be evaluated throughout the two year period with a final determination made to either continue, discontinue, and/or amend the terms of the understanding no later than December 31, 2011. The Memorandum of Understanding could be amended at any time by a majority vote of the Commission and a majority vote of the Crawford County Commissioners.

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# Dave Yost • Auditor of State

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

Crawford Regional Planning Commission  
Crawford County  
112 East Mansfield Street  
Bucyrus, Ohio 44820

To the Board of Commissioners:

We have audited the financial statements of the governmental activities and the major fund of the Crawford Regional Planning Commission, Crawford County, Ohio, (the Commission) as of and for the years ended December 31, 2011 and 2010, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated May 10, 2012, wherein we noted the Commission adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. 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 as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Commission's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

### **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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of management, the Executive Committee, Board of Commissioners, and others within the Commission. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

May 10, 2012



# Dave Yost • Auditor of State

**CRAWFORD REGIONAL PLANNING COMMISSION**

**CRAWFORD 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  
MAY 29, 2012**