

***CLARK COUNTY – SPRINGFIELD
TRANSPORTATION COORDINATING COMMITTEE***

AUDIT REPORT

FOR THE YEAR ENDED JUNE 30, 2012

Charles E. Harris and Associates, Inc.
Certified Public Accountants and Government Consultants



Dave Yost • Auditor of State

Board of Directors
Clark County - Springfield Transportation Coordinating Committee
3130 E. Main Street
Springfield, Ohio 45505

We have reviewed the *Report of Independent Accountants* of the Clark County - Springfield Transportation Coordinating Committee, Clark County, prepared by Charles E. Harris & Associates, Inc., for the audit period July 1, 2011 through June 30, 2012. 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 Clark County - Springfield Transportation Coordinating Committee is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

March 1, 2013

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Clark County – Springfield Transportation Coordinating Committee
Audit Report for the Year Ended June 30, 2012

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REPORT OF INDEPENDENT ACCOUNTANTS

Clark County – Springfield Transportation Coordinating Committee
Springview Government Center
3130 E. Main St.
Springfield, Ohio 45505

To the Members and Board of Directors:

We have audited the accompanying financial statements of the governmental activities and each major fund of the Clark County – Springfield Transportation Coordinating Committee (CCTCC), as of and for the year ended June 30, 2012, which collectively comprise the CCTCC's financial statements as listed in the table of contents. These financial statements are the responsibility of Clark County – Springfield Transportation Coordinating Committee's management. Our responsibility is to express our 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Clark County – Springfield Transportation Coordinating Committee, as of June 30, 2012 and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 12, during fiscal year 2012 the Clark County – Springfield Transportation Coordinating Committee, Clark County adopted 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 a report dated December 1, 2012 on our consideration of the CCTCC's internal control over financial reporting and on 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 on 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.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise CCTCC's basic financial statements taken as a whole. The supplementary schedules on pages 25-26 provide additional analysis and are not a required part of the basic financial statements. The schedule of federal awards expenditures provides additional information as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The supplementary schedules and the schedule of federal award expenditures 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 schedules 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, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Charles E. Harris, Associate

Charles E. Harris & Associates, Inc.
December 1, 2012

Clark County – Springfield Transportation Coordinating Committee
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

The discussion and analysis of Clark County - Springfield Transportation Coordinating Committee's (CCTCC) financial performance provides an overall review of CCTCC's financial activities for the fiscal year ended June 30, 2012. The intent of this discussion and analysis is to look at CCTCC's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of CCTCC's financial performance.

Financial Highlights

Key financial highlights for 2012 are as follows:

Overall:

- For governmental activities, net assets increased \$4,860 or 1.6% to \$312,581 from 2011.
- The CCTCC had \$986,940 in expenses related to governmental activities and 100% of these expenses were offset by program revenues.
- The governmental activities increased revenues \$79,884 or 8.8% to \$991,800.

Using this Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Clark County - Springfield Transportation Coordinating Committee as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Assets* and *Statement of Activities* provides information about the activities of the whole CCTCC, presenting both an aggregate view of CCTCC's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term and what remains for future spending.

Clark County – Springfield Transportation Coordinating Committee
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

Reporting the CCTCC as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains both funds used by CCTCC to provide its program, the view of the CCTCC as a whole looks at all financial transactions and asks the question, “How did we do financially during fiscal year 2012”? The Statement of Net Assets and the Statement of Activities answers this question. These statements include *all assets* and *liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This method takes into account all of the current year’s revenues and expenses regardless of when cash is received or paid.

These two statements report CCTCC’s *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for CCTCC as a whole, the *financial position* of CCTCC has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the continued availability of grants, at the federal, state and local levels.

In the Statement of Net Assets and the Statement of Activities, CCTCC is presented as one activity, governmental.

- Governmental Activities – All of CCTCC’s programs are transportation planning.

Reporting CCTCC’s Funds

Fund Financial Statements

The analysis of the CCTCC’s major funds begins on page 10. Fund financial reports provide detailed information about the CCTCC’s major funds. CCTCC uses two (2) funds to account for a multitude of financial transactions and both funds are considered major funds.

Governmental Funds: All of CCTCC’s activities are reported in governmental funds, which focus on how money flows into and out of those funds and balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual*, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of CCTCC’s general governmental operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance planning activities. The relationship (or difference) between governmental *activities*

Clark County – Springfield Transportation Coordinating Committee
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

(reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* is reconciled in the financial statements.

The CCTCC as a Whole

Governmental Activities

Table 1 shows net assets for fiscal years 2012 and 2011.

Table 1

	6/30/2012	6/30/2011
	Governmental Activities	Governmental Activities
Assets		
Current and Other Assets	\$ 308,579	\$ 296,583
Capital Assets	<u>165,792</u>	<u>213,726</u>
Total Assets	<u>474,371</u>	<u>510,309</u>
Liabilities		
Long-Term Liabilities	35,392	35,837
Other Liabilities	<u>126,398</u>	<u>166,751</u>
Total Liabilities	<u>161,790</u>	<u>202,588</u>
Net Assets		
Invested in Capital Assets	165,792	213,726
Unrestricted Net Assets	<u>146,789</u>	<u>93,995</u>
Total Net Assets	<u>\$ 312,581</u>	<u>\$ 307,721</u>

What are CCTCC’s Revenue Sources? CCTCC receives 100% of its revenue from operating grants and local membership contributions. Sources of these grants are federal, state and local. CCTCC has one function, transportation planning, all revenue is used to support its mission.

Table 2 shows revenues and expenses for fiscal years 2012 and 2011.

Clark County – Springfield Transportation Coordinating Committee
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

Table 2

	<u>2012</u>	<u>2011</u>
Expenses:		
Transportation:		
Personnel	\$ 479,383	\$ 463,745
Other Program Expenses	450,612	399,034
Depreciation	<u>56,945</u>	<u>51,262</u>
Total Program Expenses	<u>986,940</u>	<u>914,041</u>
Program Revenues:		
Federal Grants	635,348	531,302
State Grants	107,378	135,123
Local Grants	<u>249,074</u>	<u>245,491</u>
Operating Grants	<u>991,800</u>	<u>911,916</u>
Change in net assets	4,860	(2,125)
Net assets – July 1	307,721	309,846
Net assets June 30	<u>\$ 312,581</u>	<u>\$ 307,721</u>

CCTCC’s Funds

Information about CCTCC’s major funds starts on page 10. These funds are accounted for using the modified accrual basis of accounting. The general fund had revenues of \$98,250 and expenses of \$127,680 resulting in a decrease in the fund balance of \$29,430. The special revenue fund had revenues of \$893,550 and expenses of \$811,771 resulting in an increase in fund balance of \$81,779.

General Fund Budgeting Highlights

Although the CCTCC is not required to comply with budgetary regulations in the Ohio Revised Code, they prepare one internally for quality control purposes. The CCTCC’s budget is prepared according to Ohio law and is based on accounting for certain transactions on a GAAP basis of accounting. Budgets are prepared for both funds. During the course of fiscal year 2012 the CCTCC amended its budgets several times.

Clark County – Springfield Transportation Coordinating Committee
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

Capital Assets and Debt Administration

At the end of fiscal year 2012, the CCTCC had \$165,792 (net) invested in equipment and furniture.

Long-Term Liabilities

At June 30, 2012, CCTCC had long-term liabilities of \$35,392. All long-term liabilities are for compensated absences (vacation and sick leave).

Current Financial Related Activities

CCTCC receives its funding from the Federal Highway Administration, the Federal Transit Administration, the Ohio Department of Transportation, the Ohio Public Works Commission, the Ohio National Road Association, Clark County, the City of Springfield and the West Central Port Authority. Grants for fiscal year 2013 appear certain; however, grants for fiscal year 2014 are dependent on Federal and State budgets, both of which are facing deficits.

Contacting the CCTCC's Financial Management

This financial report is designed to provide our citizens, taxpayers and grantors with a general overview of CCTCC's finances and to show CCTCC's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Scott Schmid, Transportation Director at Clark County - Springfield Transportation Coordinating Committee, Springview Government Center, 3130 E. Main Street, Springfield, Ohio 45505.

CLARK COUNTY - SPRINGFIELD TRANSPORTATION COORDINATING COMMITTEE
Statement of Net Assets
June 30, 2012

Assets	
Cash	\$ 137,764
Grants receivable	157,986
Inventory	6,232
Prepaid Expenses	6,597
Property, plant and equipment, net of Accumulated Depreciation	165,792
 Total Assets	 <u>474,371</u>
Liabilities	
Accounts Payable	15,567
Accrued personnel costs	6,976
Deferred revenue	103,855
Long-Term Liabilities:	
Due in more than one year	35,392
 Total Liabilities	 <u>161,790</u>
Net Assets	
Invested in Capital Assets	165,792
Unrestricted	146,789
 Total Net Assets	 <u>\$ 312,581</u>

See notes to the basic financial statements

CLARK COUNTY - SPRINGFIELD TRANSPORTATION COORDINATING COMMITTEE
Statement of Activities
For the Year Ended June 30, 2012

Expenses:	
Transportation:	
Personnel	\$ 479,383
Other Program Expenses	450,612
Depreciation	56,945
Total Program Expenses	<u>986,940</u>
Program Revenues:	
Federal Grants	635,348
State Grants	107,378
Local Grants	249,074
Total Program Revenues	<u>991,800</u>
Change in Net Assets	4,860
Net assets - July 1, 2011	<u>307,721</u>
Net assets - June 30, 2012	<u><u>\$ 312,581</u></u>

See notes to the basic financial statements

CLARK COUNTY - SPRINGFIELD TRANSPORTATION COORDINATING COMMITTEE
 Combined Balance Sheet -
 All Governmental Fund Types
 June 30, 2012

	<u>Governmental Fund Types</u>		<u>Total</u>
	<u>General Fund</u>	<u>Area Transportation Trust Fund</u>	
Assets			
Cash	\$ 83,034	\$ 54,730	\$ 137,764
Grants Receivable	3,250	154,736	157,986
Prepaid Expenses	3,288	3,309	6,597
Inventory	-	6,232	6,232
 Total Assets	 <u>89,572</u>	 <u>219,007</u>	 <u>308,579</u>
Liabilities			
Accounts Payable	20	15,547	15,567
Accrued Personnel Costs	1,886	5,090	6,976
Deferred Revenue	49,125	54,730	103,855
 Total Liabilities	 <u>51,031</u>	 <u>75,367</u>	 <u>126,398</u>
Fund Balances			
Restricted	-	143,640	143,640
Unassigned	38,541	-	38,541
 Total Fund Balance	 <u>38,541</u>	 <u>143,640</u>	 <u>182,181</u>
 Total Liabilities and Fund Balance	 <u>\$ 89,572</u>	 <u>\$ 219,007</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital Assets used in governmental activities are not financial resources therefore it is not reported in the funds 165,792

Long-Term Liabilities (Compensated Absences) are not due and payable in the current period and therefore are not reported in the funds (35,392)

Net Assets of governmental activities \$ 312,581

See notes to the basic financial statements

CLARK COUNTY - SPRINGFIELD TRANSPORTATION COORDINATING COMMITTEE
 Combined Statement of Revenues, Expenditures and Changes in Fund Balance -
 All Governmental Fund Types
 For the Year Ended June 30, 2012

	<u>Governmental Fund Types</u>		<u>Total</u>
	<u>General Fund</u>	<u>Area Transportation Trust Fund</u>	
Grant Revenues:			
Federal Funds	\$ -	\$ 635,348	\$ 635,348
State Funds	-	107,378	107,378
Local Funds	98,250	150,824	249,074
 Total Revenues	 <u>98,250</u>	 <u>893,550</u>	 <u>991,800</u>
Expenditures:			
Personnel	71,382	264,653	336,035
Other	14,192	381,845	396,037
Indirect Costs	42,106	165,273	207,379
 Total Expenditures	 <u>127,680</u>	 <u>811,771</u>	 <u>939,451</u>
 Change in Fund Balances	 (29,430)	 81,779	 52,349
 Fund Balance, July 1, 2011, Restated (See Note 14)	 67,971	 61,861	
 Fund Balance June 30, 2012	 <u>\$ 38,541</u>	 <u>\$ 143,640</u>	

The change in fund balances differ from the change in net assets because:

Decreases in compensated absences (long-term liabilities) are not recognized as expenses in the entity-wide statements, but are reductions in long-term liabilities.	445
Capital assets are expensed when purchased in the fund statements; however in the entity-wide statements they are capitalized.	9,414
Loss on disposal of capital assets is expensed when disposed of in the fund statements.	(403)
Depreciation expense does not require the use of current financial resources; therefore it is not reported in the funds statements.	(56,945)
Change in net assets	<u>\$ 4,860</u>

See notes to the basic financial statements

Clark County – Springfield Transportation Coordinating Committee

Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

Note 1 – Description of the Clark County – Springfield Transportation Coordinating Committee

The Clark County – Springfield Transportation Coordinating Committee (CCTCC) was organized in 1964 by a resolution of the Clark County Board of Commissioners to initiate and guide activities necessary for a comprehensive transportation plan in the Clark County – Springfield Ohio metropolitan region. Effectively, the Transportation Coordinating Committee appointed a committee coordinator and staffed the Clark County – Springfield Transportation Coordinating Study. The Committee is the main policy making body which establishes all non-technical policies, reviews staff proposals and approves budgets and work programs.

Note 2 – Summary of Significant Accounting Policies

The financial statements of CCTCC have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. CCTCC's significant accounting policies are described below.

A. Reporting Entity

For financial reporting purposes CCTCC's financial statements include all funds and component units for which the CCTCC is financially accountable based upon criteria set forth in GASB Statement 14. Generally, component units are legally separate organizations for which the elected officials of the primary government (i.e. the CCTCC) are financially accountable. CCTCC would consider an organization to be a component unit if:

1. CCTCC appoints a voting majority of the organization's governing body AND (a) is able to impose its will on that organization OR (b) there is a potential for the organization to provide specific burdens on the CCTCC; OR
2. The organization is fiscally dependent upon the CCTCC; OR
3. The nature of the relationship between the CCTCC and the organization is such that the exclusion from the financial reporting entity would render the financial statements of the CCTCC misleading.

For the fiscal year 2012, CCTCC does not have any component units.

B. Fund Accounting

CCTCC uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain CCTCC functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances,

Clark County – Springfield Transportation Coordinating Committee

Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

Note 2 – Summary of Significant Accounting Policies (continued)

B. Fund Accounting (continued)

and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

For financial statement presentation purposes, the various funds of CCTCC are grouped into the following generic fund types under the broad fund category governmental.

Governmental Fund Types - Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are CCTCC major governmental funds:

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

Special Revenue Fund – (Area Transportation Trust Fund) The special revenue fund is used to account for grants and other contract revenues that are legally restricted to expenditures for specified purposes.

CCTCC has no other funds.

C. Basis of Presentation

Government-wide Financial Statements - The statement of net assets and the statement of activities display information about CCTCC as a whole. These statements include the financial activities of the primary government.

The government-wide statements are prepared using the economic resources measurement focus. This approach differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations as to better identify the relation between the government-wide statements and the statements to governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of CCTCC's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods and services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues, which identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of CCTCC.

Clark County – Springfield Transportation Coordinating Committee

Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

Note 2 – Summary of Significant Accounting Policies (continued)

C. Basis of Presentation (continued)

Fund Financial Statements - Fund financial statements report detailed information about the CCTCC. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is represented in a separate column.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financial uses) of current financial resources.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For CCTCC, available means expected to be received within sixty days of year-end.

Non-exchange transactions, in which CCTCC receives value without directly giving equal value in return, only include grants. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which CCTCC must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to CCTCC on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the

Clark County – Springfield Transportation Coordinating Committee

Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

Note 2 – Summary of Significant Accounting Policies (continued)

D. Basis of Accounting (continued)

accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

E. Cash and Cash Equivalents

As required by Ohio Revised Code, the Clark County Auditor acts as the fiscal agent for CCTCC and the cash is held and invested by the Clark County Treasurer. CCTCC's assets are held in the County's cash and investment pool. At year-end, the reconciled carrying amount on the County Auditor's records for CCTCC's cash balance was \$137,764.

F. Inventory

On government-wide financial statements, inventories are represented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items are recorded as expenditures in the governmental fund types when purchased.

G. Capital Assets

General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The capitalization threshold for capital assets is \$500. Donated fixed assets are recorded at their fair market values as of the dates received. Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives
Furniture	10 Years
Equipment	5 Years
Fixtures	5 Years
Vehicles	5 Years
Software	3 Years

Clark County – Springfield Transportation Coordinating Committee

Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

Note 2 – Summary of Significant Accounting Policies (continued)

H. Compensated Absences

GASB Statement No. 16 specifies that compensated absences should be accrued as they are earned by employees if both of the following conditions are met:

1. The employee's rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employee for the benefits through paid time off or cash payment.

CCTCC's policies regarding compensated absences are determined by state laws, board policy, and/or negotiated agreements. In summary the policies are as follows:

Accumulated vested vacation pay is recorded as a liability on the balance sheet at the employee's current rate of pay. A full-time employee accumulates four point six hours of sick pay per two week pay period. Twenty-five percent of the sick pay, up to a maximum of 30 days, will be paid upon retirement after 10 years of service.

The total liability for vacation and severance payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus any applicable additional salary related payments.

The entire compensated absence liability is reported on the government-wide financial statements using the *vesting method*.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using available expendable resources. These amounts are recorded in the account "accrued personnel" in the fund from which the employees who have accumulated unpaid leave are paid. The non-current portion of the liability is not reported.

I. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources.

Clark County – Springfield Transportation Coordinating Committee

Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

Note 2 – Summary of Significant Accounting Policies (continued)

J. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by CCTCC or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets are restricted for grant purposes.

CCTCC applies restricted resources when an expense is incurred for the purposes for which both restricted and unrestricted net assets are available.

K. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control CCTCC's management and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2012.

L. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

M. Indirect Costs

Fringe benefits, payroll related and general and administrative indirect costs are invoiced at provisional rates. During the audit period the provisional rate was 128.74% per an "Indirect Cost Rate Agreement" with the Ohio Department of Transportation. A schedule of indirect cost rates is included in this report.

N. Budget Basis

CCTCC prepares its budgets on the same basis of accounting as its funds statements.

O. Fund Balance

For the year ended June 30, 2012, fund balance is divided into five classifications based primarily on the extent to which CCTCC is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Clark County – Springfield Transportation Coordinating Committee

Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted Fund balance is reported as 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 fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of CCTCC. Those committed amounts cannot be used for any other purpose unless CCTCC removes or change the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. 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 fund balance classification are intended to be used by CCTCC for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by CCTCC or a CCTCC official delegated that authority by resolution, or by State Statute.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

CCTCC applies restricted resources first when expenditures are 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 could be used.

Note 3 – Operating Lease

The CCTCC leases office space from Clark County through the Board of County Commissioners, under an operating lease expiring September 30, 2017, for the sum of \$31,950 per year. Lease expense for fiscal year 2012 was \$29,638.

Minimum future rental payments under the lease for fiscal years ending June 30 are follows:

2013	\$31,651
2014	31,950
2015	31,950
2016	31,950
2017	7,987

Clark County – Springfield Transportation Coordinating Committee

Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

Note 4 – Capital Assets

Capital asset activity for the year-end June 30, 2012 was as follows:

	Balance 7/1/2011	Addition	Deletion	Balance 6/30/2012
Governmental Activities				
Capital Asset, being depreciated:				
Furniture and Equipment	\$ 361,164	\$ 9,414	\$ (3,893)	\$ 366,685
Total Capital Assets, being depreciated:	<u>361,164</u>	<u>9,414</u>	<u>(3,893)</u>	<u>366,685</u>
Less Accumulated Depreciation:				
Furniture and Equipment	(147,438)	(56,946)	3,489	(200,895)
Total Accumulated Depreciation	<u>(147,438)</u>	<u>(56,946)</u>	<u>3,489</u>	<u>(200,895)</u>
Governmental Activities				
Capital Assets, Net	<u>\$ 213,726</u>	<u>\$ (47,532)</u>	<u>\$ (404)</u>	<u>\$ 165,790</u>

Depreciation expense was: \$56,946

Note 5 - Receivables

Receivables on June 30, 2012 consisted of grants receivable. All receivables are considered collectible in full due to the stable condition of State and Local programs and the current fiscal year guarantee of federal funds.

Note 6 – Long-term Obligations

The changes in CCTCC’s long-term obligations during fiscal year 2012 were as follows:

	Principal Outstanding 7/1/11	Additions	Deductions	Principal Outstanding 6/30/12	Due in One Year
Governmental Activities					
Compensated Absences	\$35,837	\$1,422	\$1,867	\$35,392	\$-0-
Total Activities	<u>\$35,837</u>	<u>\$1,422</u>	<u>\$1,867</u>	<u>\$35,392</u>	<u>\$-0-</u>

Note 7 – Pension Plan

(a) Plan Description

CCTCC contributes to the Ohio Public Employees Retirement System of Ohio (OPERS), a cost sharing, multiple-employer public employee retirement system. OPERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries through three separate pension plans: The Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; The Member-Directed Plan – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under this plan, members

Clark County – Springfield Transportation Coordinating Committee

Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings; and the Combined Plan – a cost-sharing multiple-employer defined benefit pension plan. Under this plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan. Chapter 145 of the Ohio Revised Code assigns the authority to establish and amend benefit provisions to the OPERS board of trustees (Board). OPERS issues a stand-alone financial report that includes the financial statements. That report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-466-2085 or 1-800-222-PERS (7377).

(b) *Funding Policy*

Plan members are required to contribute a percentage of their annual covered salary (10% in 2012, 2011 and 2010), and CCTCC is required to contribute an actuarially determined rate. The employer contribution rate for 2012, 2011 and 2010 was 14% of annual covered payroll. The contribution requirements of plan members and CCTCC are established and may be amended by the Board. CCTCC's contributions to OPERS for the years ended June 30, 2012, 2011, and 2010 were \$48,800, \$46,002, and \$48,924, respectively, equal to the required contributions for each year. Required employer contributions are equal to 100% of the dollar amount billed to each employer.

Note 8 – Postemployment Benefit

(a) *Plan Description*

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

Clark County – Springfield Transportation Coordinating Committee

Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing OPERS, 277 East Town Street, Columbus OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

(b) *Funding Policy*

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, state and local employers contributed at a rate of 14.0% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for state and local employer units. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0% during calendar year 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during calendar year 2011. The portion of employer contributions allocated to health care for the calendar year beginning January 1, 2012 remained the same, but they are subject to change based on Board action. The OPERS Board of Trustees is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. The CCTCC's contributions for post-employment benefits were \$21,088, \$18,078 and \$20,401 for the years ended June 30, 2012, 2011 and 2010, respectively.

(c) *OPERS Retirement Board Implements its Health Care Preservation Plan*

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning January 1, 2006, with a final rate increase January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

Clark County – Springfield Transportation Coordinating Committee

Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

Note 9 – Risk Management

CCTCC is exposed to various risks of loss related to torts, theft of or damage to, and destruction of assets, errors or omissions, injuries to employees and natural disasters. Clark County provides insurance coverage for CCTCC through County policies. Clark County maintains comprehensive insurance coverage with the County Risk Sharing Authority (CORSA) for liability, property and crime insurance that covers CCTCC. CORSA was formed as an Ohio non-profit corporation for the purpose of establishing a group primary and excess insurance/self insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA.

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

Note 10 – Contingencies

Under the terms of federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount or expenditures which may be disallowed by the grantor cannot be determined at this time, although CCTCC expects such amounts, if any, to be immaterial.

Note 11 – Cost Allocation Plan

A cost allocation plan is prepared annually by CCTCC. The plan, which includes fringe benefit and indirect costs, is used for the purpose of determining provisional allocation rates and is prepared in accordance with provisions of the Office of Management and Budget Circular (OMB) A-87 and the U.S. Department of Health and Human Services' Circular ASMB C-10. The plan is submitted to the Federal Highway Administration through the Ohio Department of Transportation, for approval and authorization of negotiated provisional rates, which are used for billing purposes during the fiscal year. These provisional rates are subject to audit at the end of each fiscal year. If the actual rates are less than the provisional rates, CCTCC must credit and / or repay any over-billed amounts within 3 months of the end of the fiscal year. Conversely, CCTCC may recover any under-billed amounts also within 3 months after the end of the fiscal year.

Adjustments as a result of a change in the rates are recognized for financial reporting purposes at the end of the fiscal year for which they apply.

Following are summaries of the accounting treatment and rate experience for fringe benefit and indirect cost for 2012.

Fringe Benefits – Fringe benefit costs are recorded in the general fund and allocated to the special revenue funds in accordance with the approved cost allocation plan, based upon a provisional rate approved by an oversight grantor agency. The 2012 fringe benefit costs were allocated at a provisional rate 66.7% of the productive direct labor dollars. The actual fringe benefit cost rate was 87.32%.

Clark County – Springfield Transportation Coordinating Committee

Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

Indirect Costs – Administrative costs are recorded in the general fund as indirect costs and allocated to the special revenue funds in accordance with approved cost allocation plan, based upon a provisional rate approved by an oversight agency. The 2012 indirect costs were allocated at a provisional rate of 62.04% of direct labor dollars. The actual indirect cost rate was 83.75%.

Note 12 – Change in Accounting Principle

For fiscal year 2012, CCTCC 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 this statement did not result in the reclassification of certain funds or the restatement of CCTCC’s financial statements.

Note 13 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which CCTCC is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for both governmental funds are presented below:

Fund Balances at June 30, 2012:

	General	Area	
<u>Fund Balances</u>	<u>Fund</u>	<u>Transportation</u>	<u>Total</u>
		<u>Trust Fund</u>	
Restricted for:			
Transportation	\$ 0	\$ 143,640	\$ 143,640
Total Restricted	0	143,640	143,640
Unrestricted	38,541	0	38,541
Total Unrestricted	38,541	0	38,541
Total	\$ 38,541	\$ 143,640	\$ 182,181

Note 14 – ODOT Audit and Prior Period Adjustments

In October 2011, the Ohio Department of Transportation conducted an audit to determine CCTCC’s level of compliance with ODOT program requirements, contract terms, 49 CFR 18, and OMB Circular A-87 for the Fiscal Years 2007 through 2010 (July 2006 – June 2010). In March 2012, the results of the audit were issued in Audit Report #1201-MPO-32 and summarized in a management letter. No material instances of noncompliance were determined, but recommendations were made related to improvements in the internal controls and compliance that could be achieved for current and future periods. The CCTCC has already taken steps to implement these recommendations.

Clark County – Springfield Transportation Coordinating Committee

Notes to the Basic Financial Statements

For the Year Ended June 30, 2012

The following monetary findings were a result of the ODOT audit and included in this current fiscal year.

- 1) \$15,700 was paid back as an offset to the Congestion Mitigation & Air Quality Grant.
- 2) \$13,670 was paid back as an offset to the Federal portion of the Consolidated Planning Grant; and \$1,709 to the ODOT portion of the same grant.
- 3) \$8,287 was paid directly to ODOT for adjustments to the Statewide Planning Research Grant.

The following monetary findings were also a result of the ODOT audit and resulted in a prior period fund adjustment.

- 4) \$18,356 in Indirect Cost adjustments, for prior years, were added to the fiscal year 2012 beginning fund balances and included in the actual Indirect Cost recovery rate for the fiscal year.
- 5) \$48,341 in Fringe Benefit adjustments, for prior years, were added to the fiscal year 2012 beginning fund balances and included in the actual Fringe Benefit recovery rate for the fiscal year.

CCTCC had a prior period adjustment to the following funds:

	<u>General Fund</u>	Area Transportation <u>Trust Fund</u>	<u>Total</u>
Fund Balance			
June 30, 2011	\$ 1,274	\$ 128,558	\$ 129,832
Restatement	<u>66,697</u>	<u>(66,697)</u>	<u>-0-</u>
Restated Fund Balance			
July 1, 2011	<u>\$ 67,971</u>	<u>\$ 61,861</u>	<u>\$ 129,832</u>

SUPPLEMENTARY SCHEDULES

CLARK COUNTY - SPRINGFIELD TRANSPORTATION COORDINATING COMMITTEE
Supporting Schedule of Revenue and Expenses
For the Year Ended June 30, 2012

	1	2	3	4	5	6	7	8	9	10	total
	CPG/ODOT Grant	FTA 5307 Grant	OPWC	CMAQ	Westco	National Scenic Byways / ONRA	Clean Ohio	Job Ready Site	STP/ODOT Grant	Local and Unallocated	
Grant Revenue:											
Federal Funds	\$ 469,981	\$ -	\$ -	\$ 71,791	\$ -	\$ 21,506	\$ -	\$ -	\$ 101,440	\$ -	\$ 664,718
State Funds	58,748	-	24,042	-	-	-	-	937	25,360	-	109,087
Local Funds	58,748	47,998	-	-	99,174	6,608	1,844	-	-	34,702	249,074
	<u>587,477</u>	<u>47,998</u>	<u>24,042</u>	<u>71,791</u>	<u>99,174</u>	<u>28,114</u>	<u>1,844</u>	<u>937</u>	<u>126,800</u>	<u>34,702</u>	<u>1,022,879</u>
Expenses, direct costs:											
Direct Labor	150,197	17,600	8,716	4,259	36,157	3,860	666	341	-	-	221,797
Travel	3,957	294	63	117	524	309	19	10	-	-	5,293
Training & Meetings	3,027	-	-	-	-	20	-	-	-	-	3,047
Office Supplies	85	-	-	-	-	-	-	-	-	-	85
Postage	2,248	-	354	-	326	340	20	3	-	-	3,291
Maps and Reference Material	220	-	-	-	-	-	-	-	-	-	220
Advertising	8,837	-	-	58,010	-	15	-	-	-	-	66,862
Printing	7,903	-	-	-	-	3,953	-	-	-	-	11,856
Contract Services	140,639	-	-	-	-	12,115	-	-	126,800	-	279,554
Software	5,427	-	-	-	319	-	-	-	-	-	5,746
Other	22	-	-	2,120	-	25	-	-	-	-	2,167
Project Assets	7,999	-	-	-	-	875	-	-	-	-	8,874
	<u>330,562</u>	<u>17,894</u>	<u>9,133</u>	<u>64,506</u>	<u>37,327</u>	<u>21,512</u>	<u>705</u>	<u>354</u>	<u>126,800</u>	<u>-</u>	<u>608,791</u>
Indirect fringe benefits (87.32%)	131,152	15,368	7,611	3,719	31,573	3,370	582	298	-	-	193,673
Indirect costs (83.75%)	125,790	14,740	7,300	3,567	30,282	3,232	558	285	-	-	185,754
Eligible expenses charged to grant	587,504	48,002	24,044	71,792	99,182	28,114	1,845	937	126,800	-	988,218
Excess (deficiency) revenue over expenses *	\$ (27)	\$ (4)	\$ (2)	\$ (1)	\$ (8)	\$ 0	\$ (1)	\$ 0	\$ 0	\$ 34,702	\$ 34,661

Maps & Reference Material = \$ 2,443 income statement - \$ 2,223 expensed FY10 maps
 Project Assets = \$ 7,999 assets capitalized + \$ 875 assets expensed
 CPG PID #87637 available balance \$ 1,542. CAP rate extra charges were \$ 2,285. Difference billed to CPG PID #90319.
 CMAQ PID #84253 available balance \$ 32. CAP rate extra charges were \$ 570. Difference billed to CMAQ PID # 90340.
 * (Deficiency) due to 0.02% difference between actual Indirect CAP rate of 83.75% and the billed rate of 83.73%.

1. Consolidated Planning Grant - FHWA PL & FTA 5303 Funds c/o ODOT PID #87637 & #90319 and Encumbrance #719967 & #721830
2. Federal Transit Authority - Section 5307 - Grants #OH-90-X715
3. Ohio Public Works Commission - c/o SCIP & LTIP programs - Control #CK000 / CKW00
4. Congestion Mitigation & Air Quality - c/o ODOT PID #90343, #84253 & #90340
5. West Central Ohio Port Authority - per annual agreement & resolution
6. National Scenic Byway Grants - c/o OH National Road Association ODOT PID #88237, #85261, #87956 & #85319
7. Clean Ohio Program - c/o OPWC signed agreement 08/01/07
8. Job Ready Site Program - c/o OH Department of Development - MOU dated 08/16/11
9. Surface Transportation Planning - ODOT PID #89423 and Encumbrance #721886

Reconciliation to Revenue, Expenditures and Changes in Fund Balance

Expenses eligible for grant	\$	988,218
Other expenses		12,903
Depreciation expense included w/indirect costs		(973)
Project Inventory		6,000
Prior year indirect costs allocated		(66,697)
Total Expenditures	<u>\$</u>	<u>939,451</u>

	State Funds	Federal Funds
Grant Revenues	\$ 109,087	\$ 664,718
Audit offset (Note 14)	(1,709)	(29,370)
Revenue, Expenditures and Changes in Fund Balance	<u>\$ 107,378</u>	<u>\$ 635,348</u>

CLARK COUNTY - SPRINGFIELD TRANSPORTATION COORDINATING COMMITTEE
 Indirect Costs
 For the Year Ended June 30, 2012

Direct Labor	\$	221,797
Indirect Labor		59,923
Total Labor	<u>\$</u>	<u>281,720</u>
 Fringe Benefit Wages		
Vacation	\$	19,004
Holiday		12,676
Sick Leave		19,256
Miscellaneous		2,938
Fringe Benefit Wages	<u>\$</u>	<u>53,874</u>
 Other Fringe Benefits		
OPERS		48,800
Hospitalization		78,852
Life insurance		160
Dental insurance		1,530
Medicare		3,921
Workers compensation		3,794
Continuing education		4,792
Unemployment compensation		1,056
Other Employee expenses		885
Fringe benefits allocated		48,341
Other Fringe Benefits	<u>\$</u>	<u>192,131</u>
Total Fringe Benefits	<u>\$</u>	<u>246,005</u>
 Fringe Benefit Rate (Total Fringe Benefits / Total Labor)		 87.32%
 Indirect Costs		
Salaries - Indirect Only	\$	59,923
Fringe Benefits for Indirect Salaries only		52,326
Personnel costs included in Indirect costs	<u>\$</u>	<u>112,249</u>
Travel		159
Supplies		4,259
Postage		1,942
Maps and Referencial Materials		363
Small Office Equipment		486
Small Office Furniture		447
Printing Services		1,478
Pro Services - Audit		6,205
Contract Services		4,700
CORSA Insurance		1,054
Telephone		1,246
Dues and Subscriptions		1,106
Rent		30,728
Depreciation **		973
Indirect cost allocated		18,356
Non personnel costs included in indirect costs	<u>\$</u>	<u>73,502</u>
Total Indirect Costs	<u>\$</u>	<u>185,751</u>
 Indirect Fringe Benefits		 193,679
 Direct Labor		 221,797
 Indirect Fringe Benefit Rate (Total Fringe Benefits / Total Labor)		 87.32%
Indirect Cost Rate (Total Indirect Costs / Direct Labor)		83.75%
Total Indirect Rate	<u>\$</u>	<u>171.07%</u>

** Depreciation expense included in indirect cost is only for capital assets purchased with local funds.

Clark County – Springfield Transportation Coordinating Committee
Board of Directors
June 30, 2012

Robert A. Warren, Chairman
Springfield Area Chamber of Commerce

Kent Sherry, Vice Chairman
Springfield Area Chamber of Commerce

John Burr, Vice Chairman
Clark County Engineer

Leo Shanayda, Vice Chairman
City of Springfield Engineer

Elmer Beard
Council Member, Village of Enon

Kathy Estep
Trustee, Mad River Township

Chris Moore
Service Director, City of Springfield

Mark Beckdahl
Finance Director, City of Springfield

William George*
President, Med Trans, Inc.

Joe Mosier
Trustee, Moorefield Township

Bob Bender
Operations Director, Dev. Disabilities of Clark County

David Hartley
Clark County Commissioner

Kevin O'Neill
Springfield City Commissioner

Nancy Brown
Trustee, Bethel Township

Tim Howard
Mayor, Village of Enon

Matt Parrill
Trans. Planning and Engineering Administrator, ODOT District 7

Dana Bumgardner
Trustee, Pleasant Township

Kim Jones
City Manager, City of New Carlisle

Bill Peters
Citizen Member

Jim Campbell
Executive Director/Chief Ranger Clark County Park District

Toni Keller
Mayor, Village of South Vienna

Robert Suver
Director, Job & Family Services of Clark County

Leann Castillo
National Trail Parks and Recreation District

Gene Kelly
Clark County Sheriff

Larry Tillman
Council Member, Village of South Charleston

Joyce Chilton
Springfield City Commissioner

Rick Lohnes
Clark County Commissioner

Alan Thompson
Director, WESTCO Port Authority

John Detrick
Clark County Commissioner

Lowell McGlothlin
Mayor, City of New Carlisle

Tom Troxell
Trustee, Harmony Township

**denotes non-voting member*

Clark County - Springfield Transportation Coordinating Committee
Clark County

Schedule of Expenditures of Federal Awards
For the year ended June 30, 2012

<u>Federal Grantor / Pass Through Grantor Program Title</u>	<u>Pass Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
UNITED STATES DEPARTMENT OF TRANSPORTATION			
Federal Highway Administration			
<i>(Passed through Ohio Department of Transportation)</i>			
Consolidated Planning Grant - Highway Planning and Construction	PID - 87637 PID - 90319	20.205	\$ 469,981
Congestion Mitigation & Air Quality	PID - 90343 PID - 84253 / 90340	20.205	71,791
National Scenic Byway Grant - ONRA Historic Preservation	PID - 85261 PID - 85319 PID - 87956 PID - 88237	20.205	21,506
Surface Transportation Program	PID - 89423	20.205	101,440
Total United States Department of Transportation			<u>664,718</u>
Total Federal Assistance			<u><u>\$ 664,718</u></u>

The accompanying notes are an integral part of this schedule.

Clark County – Springfield Transportation Coordinating Committee
Note to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

1. Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) reflects the expenditures of the Clark County – Springfield Transportation Coordinating Committee under programs financed by the U.S. government for the year ended June 30, 2012. The Schedule has been prepared in accordance with the requirements of OMB Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations,” using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

For purposes of the Schedule, federal awards include the following:

- Direct federal awards
- Pass-through funds received from non-federal organizations made under federally sponsored programs conducted by those organizations.

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

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

Clark County – Springfield Transportation Coordinating Committee
Springview Government Center
3130 E. Main St.
Springfield, Ohio 45505

To the Members and Board of Directors:

We have audited the financial statements of the governmental activities and each major fund of the Clark County – Springfield Transportation Coordinating Committee (the CCTCC) as of and for the year ended June 30, 2012, and have issued our report thereon dated December 1, 2012, wherein we noted CCTCC implemented Governmental Accounting Standard 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Controls Over Financial Reporting

In planning and performing our audit, we considered the CCTCC's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the CCTCC's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the CCTCC'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 CCTCC'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 CCTCC'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 such an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

This report is intended solely for the information and use of the finance committee, the Board of Directors, management, federal awarding agencies and pass-through entities and others within CCTCC. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Charles E. Harris" followed by a stylized flourish.

Charles E. Harris & Associates, Inc.

December 1, 2012

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614 W Superior Ave Ste 1242
Cleveland OH 44113-1306
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Fax - (216) 436-2411

Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Clark County – Springfield Transportation Coordinating Committee
Springview Government Center
3130 E. Main St.
Springfield, Ohio 45505

To the Members and Board of Directors:

Compliance

We have audited the compliance of Clark County – Springfield Transportation Coordinating Committee's (the CCTCC) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect CCTCC's federal program for the year ended June 30, 2012. The *summary of auditor's results* section of the accompanying schedule of findings identifies CCTCC's major federal program. CCTCC's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to opine on CCTCC's compliance based on our audit.

Our compliance audit followed auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with these requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with these requirements.

In our opinion, Clark County – Springfield Transportation Coordinating Committee, Clark County, Ohio complied, in all material respects, with the requirements referred to above that directly and materially affect its major federal program for the year ended June 30, 2012.

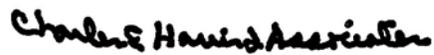
Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

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

We intend this report solely for the information and use of the finance committee, management, the Board of Directors, others within the entity, federal awarding agencies and pass-through entities. It is not intended for anyone other than these specified parties.



CHARLES E. HARRIS & ASSOCIATES, INC.

December 1, 2012

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 SECTION .505**

**CLARK COUNTY - SPRINGFIELD TRANSPORTATION COORDINATING COMMITTEE
CLARK COUNTY
June 30, 2012**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	<i>Type of Financial Statement Opinion</i>	Unqualified
(d)(1)(ii)	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any significant deficiencies reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(iii)	<i>Was there any reported material non-compliance at the financial statement level (GAGAS)?</i>	No
(d)(1)(iv)	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any significant deficiencies reported for major federal programs?</i>	No
(d)(1)(v)	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
(d)(1)(vi)	<i>Are there any reportable findings under Section .510</i>	No
(d)(1)(vii)	<i>Major Programs:</i>	CFDA # 20.205 - Consolidated Planning Grant Federal Transportation Administration
(d)(1)(viii)	<i>Dollar Threshold: Type A\B Programs</i>	Type A: >\$300,000 Type B: All Others
(d)(1)(ix)	<i>Low Risk Auditee?</i>	Yes

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

STATUS OF PRIOR AUDIT'S CITATIONS AND RECOMMENDATIONS

The prior audit, for the year ending June 30, 2011 reported no material citations or recommendations.



Dave Yost • Auditor of State

CLARK COUNTY- SPRINGFIELD TRANSPORTATION COORDINATING COMMITTEE

CLARK 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
MARCH 14, 2013**