



Dave Yost • Auditor of State

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Management's Discussion and Analysis.....	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position – June 30, 2013	9
Statement of Activities – For the Fiscal Year Ended June 30, 2013	10
Fund Financial Statements:	
Governmental Funds Balance Sheet – June 30, 2013	11
Reconciliation of Total Governmental Fund Balances to Net Position Of Governmental Activities – June 30, 2013.....	12
Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances – For the Fiscal Year Ended June 30, 2013	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities – For the Fiscal Year Ended June 30, 2013	14
Notes to the Basic Financial Statements	15
Supplementary Information:	
Governmental Funds Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual – General Fund – For the Fiscal Year Ended June 30, 2013	27
Governmental Funds Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual – Special Revenue Fund – For the Fiscal Year Ended June 30, 2013	28
Schedule of General Capital Assets	29
Schedule of Fringe Benefit Cost Pool Charges, Rate Base, Final Rate Computation, and Current Year's Recovery Comparison	30
Schedule of Indirect Cost Pool Charges, Rate Base, Final Rate Comparison, and Current Year's Recovery Comparison	31
Schedule of Costs for Federal Highway Administration, Ohio Department of Transportation, Ohio Department of Labor, and Ohio EPA by Work Element.....	32
Officers and Executive Committee.....	33

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**TABLE OF CONTENTS
(Continued)**

TITLE	PAGE
Schedule of Federal Awards Expenditures – For the Fiscal Year Ended June 30, 2013	35
Notes to the Schedule of Federal Awards Expenditures	36
Independent Auditor’s Report on Internal Control over Financial Reporting and On Compliance and Other Matters Required By <i>Government Auditing Standards</i>	37
Independent Auditor’s Report on Compliance with Requirements Applicable to The Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133	39
Schedule of Findings.....	41



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Miami Valley Regional Planning Commission
Montgomery County
One South Main Street, Suite 260
Dayton, Ohio 45402

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Miami Valley Regional Planning Commission, Montgomery County, Ohio (the Commission), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Commission's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

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 Miami Valley Regional Planning Commission, Montgomery County, Ohio, as of June 30, 2013, and the respective changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* and *budgetary comparison schedules*, 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 applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the Commission's basic financial statements taken as a whole.

The schedules presented on pages 29 through 33 present additional analysis and are not a required part of the basic financial statements.

The Schedule of Federal Award Expenditures also presents additional analysis as required by the 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 financial statements.

The schedule is management's responsibility, and derives from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling the schedule 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 schedule is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject pages 29 through 33 to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 22, 2014, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State

Columbus, Ohio

January 22, 2014

This page is intentionally left blank.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
UNAUDITED**

The discussion and analysis of the Miami Valley Regional Planning Commission's (MVRPC) financial performance provides an overall review of the MVRPC's financial activities for the fiscal year ended June 30, 2013. The intent of this discussion and analysis is to look at the MVRPC's financial performance as a whole; readers should also review the financial statements and the notes to the basic financial statements to enhance their understanding of the MVRPC's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2013 are as follows:

- Total net position increased \$158,476 for fiscal year (FY) 2013.
- Total assets of governmental activities increased \$111,122, primarily due to an increase in cash.
- General revenues accounted for \$458,336 or 14 percent of total revenue. Program revenues in the form of charges for services and operating grants were \$2.8 million, which was less than FY2012 primarily because of completing American Recovery and Reinvestment Act (ARRA) grants.
- MVRPC's \$3.1 million in expenses were offset by program revenues of \$2.8 million, and member dues of \$455,814. Membership dues were slightly less than FY2012.

Using the Basic Financial Statements

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 Miami Valley Regional Planning Commission 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 Position and Statement of Activities provide information about the activities of MVRPC as a whole, presenting both an aggregated view of the MVRPC's finances and a longer-term view of those statements. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the MVRPC's most significant funds, the General Fund and Special Revenue Fund.

Reporting the MVRPC as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities answers the question "How did we do financially during 2013?" These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the MVRPC's net position and changes in that position. This change in net position is important because it shows MVRPC's change in financial results for the year ended June 30, 2013.

In the Statement of Net Position and the Statement of Activities, MVRPC reports governmental activities. All of MVRPC's activities are considered governmental activities. They include, but are not limited to, transportation planning, environmental planning, community planning and support services. The MVRPC does not have any business-type activities.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
UNAUDITED
(Continued)**

Table 1 provides a summary of the MVRPC's net position for fiscal years 2013 and 2012:

**Table 1
Statement of Net Position**

	2013	2012	Change
Assets:			
Current Assets	\$3,721,263	\$3,603,037	\$118,226
Capital Assets Being Depreciated (net)	37,273	44,377	(7,104)
Total Assets	<u>3,758,536</u>	<u>3,647,414</u>	<u>111,122</u>
Liabilities:			
Current Liabilities	243,414	304,863	(61,449)
Long Term Liabilities	162,994	148,899	14,095
Total Liabilities	<u>406,408</u>	<u>453,762</u>	<u>(47,354)</u>
Net Position:			
Net Investment in Capital Assets	37,273	44,377	(7,104)
Unrestricted	3,314,855	3,149,275	165,580
Total Net Position	<u>\$3,352,128</u>	<u>\$3,193,652</u>	<u>\$158,476</u>

The amount by which the MVRPC's assets exceeded its liabilities is called net position. As of June 30, 2013, the MVRPC's net position was \$3.35 million. Total net position increased by \$158 thousand. MVRPC's liabilities decreased by \$47 thousand due to decreased accounts payable from grant activity, and a decrease in benefits liability.

Of the total net position amount, approximately \$37 thousand was net investment in capital assets. The remaining balance of \$3.31 million was unrestricted and available for future use as directed by the MVRPC Board.

Table 2 shows the changes in net position for fiscal year 2013 compared to 2012.

**Table 2
Statement of Activities – Change in Net Position**

	2013	2012	Change
Revenues:			
Program Revenues:			
Operating Grants	\$2,813,840	\$3,491,685	(\$677,845)
General Revenues:			
Membership Dues	455,814	463,053	(7,239)
Miscellaneous	2,522	449	2,073
Total Revenues	<u>3,272,176</u>	<u>3,955,187</u>	<u>(683,011)</u>
Program Expenses:			
General Government	93,568	58,592	34,976
Transportation Planning	2,910,272	2,955,281	(45,009)
Environmental Planning	89,841	103,411	(13,570)
Regional Planning	20,019	679,195	(659,176)
Total Expenses	<u>3,113,700</u>	<u>3,796,479</u>	<u>(682,779)</u>
Increase in Net Position	<u>\$ 158,476</u>	<u>\$ 158,708</u>	<u>(\$ 232)</u>

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
UNAUDITED
(Continued)**

Total operating grants revenue decreased by \$677 thousand from 2012 primarily due to completing American Recovery and Reinvestment Act (ARRA) grants. Regional planning expenses decreased by \$659 thousand due completion of an ARRA grant for worker training from the Department of Labor and the National Association of Regional Councils.

MVRPC is extremely dependent upon intergovernmental revenues (federal grants) provided by the federal government through the State of Ohio; approximately 86 percent of the MVRPC's total revenue was received from intergovernmental sources during FY2013. MVRPC has been able to maintain a stable financial position through careful management of expenses. However, MVRPC is vulnerable to changes in federal and state grant programs.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

Reporting the MVRPC's Most Significant Funds

The MVRPC's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the 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 within one year. The governmental fund statements provide a detailed short-term view of the MVRPC's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance MVRPC programs. The relationship (or differences) between activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Fund financial reports provide detailed information about the General Fund. The MVRPC uses two funds to account for a multitude of financial transactions. Both of these funds are considered significant.

The governmental fund (short term) General Fund had total revenue of \$557 thousand plus other financing sources of \$1.34 million. Expenditures totaled \$1.7 million. Governmental fund balance increased by \$179 thousand in 2013 to \$3.4 million.

The Special Revenue Fund provides the detail of all federal grants received by MVRPC. The Special Revenue Fund had total revenues of \$2.7 million. This was primarily intergovernmental revenues from federal grants, primarily from the U. S. Department of Transportation. The use of these funds had local net matching requirements of \$200 thousand. This was provided by the General Fund as operating transfers-in.

General Fund Budgeting Highlights

The MVRPC's budget is prepared on the modified accrual method. The most significant budgeted funds are the General Fund and the Special Revenue Fund.

During the course of fiscal year 2013, the MVRPC amended its budget. The primary budget variance was unspent contract expenses and resulting revenue that will carry-over to the next year.

Capital Assets

At the end of fiscal year 2013, the MVRPC had \$37,273 net invested in furniture, equipment, and leasehold improvements in governmental activities.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
UNAUDITED
(Continued)**

Table 3 shows fiscal year 2013 capital assets balances compared to 2012:

**Table 3
Capital Assets at June 30,**

	2013	2012
Furniture	\$69,153	\$69,153
Equipment	296,869	288,408
Leasehold Improvements	68,556	68,556
Less: Accumulated Depreciation	(397,305)	(381,740)
Total Capital Assets, Net	<u>\$37,273</u>	<u>\$44,377</u>

Overall net capital assets decreased approximately \$7 thousand from fiscal year 2012.

For the Future

The Miami Valley Regional Planning Commission continues to rely primarily on federal grants to finance its planning activities. The majority of these federal grants are provided by the U.S. Department of Transportation through the State of Ohio.

During 2012 the President signed the Transportation Reauthorization Act entitled "Moving Ahead for Progress in the 21st Century" (MAP-21). This Act continued the current transportation authorizations until September 30, 2012. The new MAP-21 legislation is effective October 1, 2012 for a two year period expiring September, 2014.

The Act is the vehicle by which federal funds are provided to Metropolitan Planning Organizations (MPO). MVRPC is the MPO for this region.

Contacting the MVRPC's Financial Management

This financial report is designed to provide our members, citizens and taxpayers, with a general overview of the MVRPC's finances and to show the MVRPC's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Director of Finance and Administration's Office at Miami Valley Regional Planning Commission, One South Main St. Suite 260, Dayton, Ohio 45402 or call (937) 223-6323.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**STATEMENT OF NET POSITION
JUNE 30, 2013**

Assets:	
Cash	\$3,204,236
Grants Receivable	506,856
Prepaid Expenses	10,171
Capital Assets Being Depreciated (net)	37,273
Total Assets	<u>3,758,536</u>
Liabilities:	
Accounts Payable	70,864
Accrued Personnel Costs	43,330
Deferred Revenues	129,220
Short and Long Term Liabilities:	
Due within one year	23,401
Due in more than one year	139,593
Total Liabilities	<u>406,408</u>
Net Position:	
Net Investment in Capital Assets	37,273
Unrestricted	3,314,855
Total Net Position	<u>\$3,352,128</u>

See Accompanying Notes to the Basic Financial Statements.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>Expenses</u>	<u>Program Revenues Operating Grants</u>	<u>Net (Expenses) Revenues and Change in Net Position Governmental Activities</u>
Governmental Activities:			
General Government	\$93,568	\$19,888	(\$73,680)
Transportation Planning	2,910,272	2,704,709	(205,563)
Environmental Planning	89,841	89,243	(598)
Regional Planning	20,019		(20,019)
Total Governmental Activities	<u>\$3,113,700</u>	<u>\$2,813,840</u>	<u>(299,860)</u>
 General Revenues:			
Membership Dues			455,814
Miscellaneous			<u>2,522</u>
Total General Revenues			458,336
 Change in Net Position			158,476
 Net Position, July 1, 2012			<u>3,193,652</u>
 Net Position, June 30, 2013			<u><u>\$3,352,128</u></u>

See Accompanying Notes to the Basic Financial Statements.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**GOVERNMENTAL FUNDS BALANCE SHEET
JUNE 30, 2013**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
Assets and Other Debits:			
Cash	\$3,195,636	\$8,600	\$3,204,236
Grants Receivable		506,856	506,856
Due From Special Revenue Fund	506,856		506,856
Prepaid Expenses	10,171		10,171
Total Assets and Other Debits	<u>3,712,663</u>	<u>515,456</u>	<u>4,228,119</u>
Liabilities:			
Accounts Payable	70,864		70,864
Accrued Wages & Benefits	43,330		43,330
Due to General Fund		506,856	506,856
Unearned Revenues	120,620	8,600	129,220
Total Liabilities	<u>234,814</u>	<u>515,456</u>	<u>750,270</u>
Fund Balance:			
Non Spendable	10,171		10,171
Assigned for Future Year's Operation - Members Dues	227,907		227,907
Unassigned	3,239,771		3,239,771
Total Fund Balance	<u>3,477,849</u>		<u>3,477,849</u>
Total Liabilities and Fund Balance	<u>\$3,712,663</u>	<u>\$515,456</u>	<u>\$4,228,119</u>

See Accompanying Notes to the Basic Financial Statements.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2013**

Total Governmental Fund Balances	\$3,477,849
----------------------------------	-------------

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

Capital Assets used in governmental activities (net)	37,273
--	--------

The following liabilities are not due and payable in the current period and therefore are not reported in the Governmental funds:

Compensated absences	(162,994)
----------------------	-----------

Net Position of Governmental Activities	<u><u>\$3,352,128</u></u>
---	---------------------------

See Accompanying Notes to the Basic Financial Statements.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
Revenues:			
Grantor Agency	\$79,752	\$2,576,751	\$2,656,503
Other	22,410	137,449	159,859
Membership Dues	455,814		455,814
Total Revenues	<u>557,976</u>	<u>2,714,200</u>	<u>3,272,176</u>
Expenditures:			
Personnel	1,288,632	1,440,580	2,729,212
Contractual	109,971	310,104	420,075
Other	267,204	400,411	667,615
Indirect Costs	46,551	763,968	810,519
Capital Outlays	9,269		9,269
Total Expenditures	<u>1,721,627</u>	<u>2,915,063</u>	<u>4,636,690</u>
Excess of Expenditures Over Revenues	<u>(1,163,651)</u>	<u>(200,863)</u>	<u>(1,364,514)</u>
Other Financing Sources (Uses):			
Transfers-In		200,863	200,863
Transfers-Out	(200,863)		(200,863)
Cost Allocation Plan Recoveries	1,544,189		1,544,189
Total Other Financing Sources	<u>1,343,326</u>	<u>200,863</u>	<u>1,544,189</u>
Change in Fund Balances	179,675		179,675
Fund Balance, July 1, 2012	<u>3,298,174</u>		<u>3,298,174</u>
Fund Balance, June 30, 2013	<u><u>\$3,477,849</u></u>	<u><u>\$0</u></u>	<u><u>\$3,477,849</u></u>

See Accompanying Notes to the Basic Financial Statements.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Net Change in fund balances - total governmental funds	\$179,675
--	-----------

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

Government funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation and disposal exceed capital outlays expense in the current period.

(7,020)

Loss on the disposition of Capital Assets

(84)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences

(14,095)

Change in net position of total governmental activities

\$158,476

See Accompanying Notes to the Basic Financial Statements.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2013**

1. ORGANIZATION

A. Organization

The Miami Valley Regional Planning Commission (MVRPC) was created in 1964 by authority granted under the Ohio Revised Code. MVRPC is a regional planning agency composed of representatives from political subdivisions, other governmental agencies, and non-governmental entities in Montgomery, Greene, Miami, Darke, and Preble Counties in Ohio. MVRPC monitors and performs planning activities affecting present and future transportation, environmental, social, economic, physical and governmental characteristics of the region.

By an agreement between MVRPC and the State of Ohio, MVRPC is designated by the State as a Metropolitan Planning Organization, with responsibility for implementing a coordinated, continuing, comprehensive transportation planning process for Greene, Miami, and Montgomery Counties and parts of northern Warren County.

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

From September 2002 through February, 2004, MVRPC conducted a multi-phase Visioning and Strategic Planning Process with the goal of creating a more streamlined, efficient and responsive organization. On September 24, 2003, the new MVRPC Strategic Plan was adopted. Work then began on developing a structure more conducive to implementing the goals of the Strategic Plan. This effort resulted in the creation and adoption of a substantially revised Constitution and Bylaws on February 25, 2004, with implementation to begin on March 24, 2004. Key changes include:

B. Board of Directors

- The Commission and the Transportation Committee are merged into a newly created Board of Directors. County Engineers within the MPO Boundary now are Board members.
- All policy responsibility is vested with the merged body.
- The current weighted voting structure of the Transportation Committee is retained.
- Weighted voting can only be used by the Board of Directors. It cannot occur at the initial meeting when the request is made unless $\frac{3}{4}$ of the members present approve; otherwise, it will occur at the next scheduled meeting.
- Only MPO members located within the MPO Boundary (Greene, Miami, Montgomery counties and part of northern Warren County) can vote on transportation issues.
- ODOT representatives and urban transit operators may be members of the Board and vote on transportation issues.
- Each county's assessment is calculated based on 25% of the total county population; all other governmental members continue to pay a per capita assessment.
- Bylaws can be amended by a majority vote and the process for amending bylaws can be changed by a 2/3 majority vote. (Neither can be subject to weighted voting.)
- The previous Board of Directors is now called the Executive Committee.
- The Executive Committee is responsible for handling "routine and emergency" matters.
- Counties (the Commissioners) appoint 4 members, one from each member county.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2013
(Continued)**

1. ORGANIZATION (Continued)

C. Executive Committee

- Cities and villages appoint 7 members, one of which is the largest city; one member is chosen from each of the MPO counties; and no more than 4 members may be chosen from any one county. These members are chosen annually by caucus of member cities and villages.
- Townships appoint 3 members from counties located within the MPO boundary. No more than one member from the same county may be chosen. These members are selected annually by caucus of member townships
- Non-governmental members appoint 3 members, also chosen annually by caucus.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of MVRPC 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. The more significant of MVRPC accounting policies are described below.

A. Basis of Presentation

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

1. Government-Wide Financial Statements

The statement of net position and the statement of activities display information about MVRPC as a whole. These statements include the financial activities of the primary government. The statement of net position presents the financial condition of the governmental activities of MVRPC at year-end. The government-wide statement of activities presents a comparison between direct expenses and program revenues for each program or function of MVRPC governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of MVRPC, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of MVRPC.

2. Fund Financial Statements

During the year, MVRPC segregated transactions related to certain organizational functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of MVRPC at this more detailed level.

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2013
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting

MVRPC uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain organizational functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of MVRPC are grouped into the governmental category.

1. Governmental Funds

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 General Fund and the Special Revenue Grant Fund are the only major funds of MVRPC:

General Fund – The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The general fund contains some small non-federal grants and other funding sources that are available to MVRPC for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Grant Fund – The Special Revenue Grant Fund is used to account for grant and federal contract revenue that is legally restricted to expenditures for specified purposes.

MVRPC has no other funds within the Organization.

C. Measurement Focus

1. Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of MVRPC are included on the Statement of Net Position.

2. Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2013
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures. 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. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For MVRPC, available means expected to be received within ninety days of fiscal year end. Non-exchange transactions, in which MVRPC receives value without directly giving equal value in return, include grants, entitlements, and donations. Revenue from grants, entitlements, and donations 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 MVRPC must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to MVRPC on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: grants and investment earnings. Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue. On the accrual basis of accounting, expenses are recognized at the time they are incurred.

E. Property, Plant and Equipment

MVRPC capitalizes at cost all purchased property and equipment costing \$1,500 and greater and with a useful life greater than one year. Depreciation is provided on the straight-line method over the estimated useful lives of the assets ranging from 4 to 10 years. Leasehold improvements are amortized over the lesser of the useful life of the asset or term of the lease. Donated property and equipment are recorded at fair market value on date donated. Upon sale or disposition of property and equipment, the cost and related depreciation are removed from the accounts and any gain or loss is recognized.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2013
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Compensated Absences

MVRPC employees are granted annual leave (vacation) and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated annual leave and employees who retire with 10 or more years of service are eligible for a percentage of accumulated sick leave up to a maximum amount. Sick leave benefits are accrued using the vesting method in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*. An accrual for earned sick leave is reduced to the maximum amount allowed for employees eligible for a retirement termination payment plus a small estimate for some employees' short term sick leave use that is expected to be greater than normal.

G. Revenues

General fund revenues are determined by contractual agreements with member political subdivisions represented by MVRPC. Member jurisdictions of MVRPC pay an annual membership fee based on the latest official census or federal revenue sharing population estimates. The annual assessment was as follows:

1. Member Type

Within the MPO planning area	
- Counties - 25% of Total population	\$ 0.46/capita
- Municipalities and Townships	\$ 0.46/capita
Outside the MPO planning area	
- Counties – 25% of Total population	\$ 0.25/capita
- Municipalities and Townships	\$ 0.25/capita
Quasi and Non-governmental bodies	\$ 1,000/annual

The total revenue generated from member fees was \$455,814.

2. Grant Fund

Grant revenue is recognized when compliance with the various grant requirements is achieved. Generally this occurs at the time expenditures are made and the grant matching requirements are met. Grant revenues received before the revenue recognition criteria have been met are reported as deferred revenues, a liability account. When the revenue recognition criteria have been met, grant revenues not yet received are reported as grants receivable, if the amounts have been billed to grantor agencies, or as earned not billed, if amounts are unbilled.

3. Carry-over Grants and Contracts

Several grants continued after June 30, 2013. The amounts available for completing grant objectives for these grant programs are summarized below by funding type. MVRPC's required match for these carry over funds is approximately \$93,946.

Type	Amount
Federal Grants	\$1,284,094
Other Grants and Contracts	164,176

As discussed in note 4, fringe benefit expenditures are recovered by applying a provisional rate to all programs.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2013
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Indirect Costs

MVRPC uses an indirect cost rate to recover administrative expenditures. The FY2013 indirect costs were billed at a provisional rate of 54.0% of direct labor dollars, including fringe benefits. Also, see note 4.

I. Non-spendable Fund Balance

This designation represents amounts that are not in spendable form and are not expected to be converted to cash such as inventory, pre-pays, and long-term loans and notes receivable.

J. Assigned Fund Balance

The amount designated for Future Year's Operation represents 50% of the current membership dues. This amount is designated because membership period is based upon the calendar year and 100% of the dues revenue is recognized during the current fiscal year.

K. Budgets

Budgets for the general and special revenue fund are prepared annually on a modified accrual method by the staff and approved by the Commission. Budgets are reviewed on an ongoing basis and amendments are proposed as necessary. The amendments are approved by the Executive Committee.

L. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. LEASE COMMITMENTS

MVRPC entered into a non-cancellable operating lease agreement for office space effective April 1, 2004 through December 31, 2014 and two office equipment leases. Current office lease will expire in 2014 but MVRPC expects to renegotiate a new office space lease. The future minimum lease commitments as of June 30, 2013 are as follows:

<u>Fiscal Year Ended</u>	<u>Office Space</u>	<u>Equipment</u>
2014	\$144,034	\$2,232
2015	72,017	2,232
2016		1,116

Total rental expense for all equipment and office for the year ended June 30, 2013, was \$146,266.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2013
(Continued)**

4. COST ALLOCATION PLAN

A cost allocation plan is prepared annually by MVRPC. The plan, which includes fringe benefit and indirect costs, is used for the purpose of determining allocation rates and is prepared in accordance with the provisions of Office of Management and Budget (OMB) Circular A-87 and the U.S. Department of Health and Human Services' Circular OASC-10. The plan is submitted to the over-site grantor agency, the Federal Highway Administration through the Ohio Department of Transportation, for approval and authorization of negotiated allocation rates, which are used for billing purposes during the fiscal year. The Ohio Department of Transportation has agreed to let MVRPC adjust its provisional rates to the actual experienced rates prior to final billing. These adjusted provisional rates are subject to audit at the end of each fiscal year, when actual rates are determined and submitted to the over-site agency for approval. If the actual rates are less than the adjusted provisional rates, MVRPC must refund any over-billed amounts to the various grantor agencies. Conversely, MVRPC may recover under-billed amounts when unapplied funds remain from the various grantor agencies. Adjustments as a result of a change in the rates are recognized for financial reporting purposes when determined.

Following are summaries of the accounting treatment and rate experience for fringe benefit and indirect cost for FY2013.

1. Fringe Benefits

Fringe benefit costs are recorded in the general fund and allocated to the special revenue funds in accordance with the approved cost allocation plan, based upon a provisional rate approved by the oversight grantor agency. The FY2013 fringe benefit costs were allocated at a provisional rate of 61.0% of productive direct and indirect labor dollars. The actual fringe benefit cost rate was 57.707%. Per the agreement with ODOT, the provisional rate was adjusted to actual and the adjustment is reflected in the financial statements.

2. Indirect Costs

Administrative costs are recorded in the general fund as indirect costs and allocated to the special revenue funds in accordance with the approved cost allocation plan, based upon a provisional rate approved by the over-site grantor agency. The FY2013 indirect costs were allocated at a provisional rate of 54.0% of direct labor dollars, including fringe benefits. The actual indirect cost rate was 53.032%. Per the agreement with ODOT, the provisional rate was adjusted to actual and the adjustment is reflected in the financial statements.

5. CONTINGENCIES

The use of direct federal grant funds and state administered federal grant funds is subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based upon prior experience, management believes that MVRPC will not incur significant losses, if any, on possible grant disallowance.

6. INTERFUND ACTIVITY

As of June 30, 2013 there was an Interfund Receivable of \$506,856 in the General Fund and an Interfund Payable of \$506,856 in the Special Revenue Fund. The due to represents amounts for grants receivable at June 30, 2013 from various Federal and State grants.

During the year ended June 30, 2013 the General Fund transferred \$200,863 to the Grant Fund to provide local matching funds associated with federal grant programs.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2013
(Continued)**

7. CASH AND INVESTMENTS

Pooled Cash

The Commission's cash balances are held in the Montgomery County Treasury. Cash is held in a demand deposit account that is insured or collateralized by Federal Depository Insurance and by collateral held by a qualified third party trustee.

8. DEFINED BENEFIT PENSION PLANS

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

Ohio Public Employees Retirement System (the "OPERS")

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

All employees of the Commission, participate in the Ohio Public Employees Retirement System (OPERS), a cost sharing, multiple employer defined benefit pension plan.

- A. Ohio Public Employees Retirement System (OPERS) administers three separate pension plans as described below:
1. **The Traditional Pension Plan** - a cost sharing, multiple-employer defined benefit pension plan.
 2. **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 the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.
 3. **The Combined Plan** - a cost sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, 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.
- B. OPERS provides retirement, disability, survivor and death benefits and annual cost-of living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member- Directed Plan do not qualify for ancillary benefits.
- C. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.
- D. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml> by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2013
(Continued)**

8. DEFINED BENEFIT PENSION PLANS (Continued)

- E. The Ohio Revised Code provides statutory authority for member and employer contributions. For calendar year 2012 and 2013, member and employer contribution rates were consistent across all three plans. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. The calendar year 2012 and 2013 member contribution rates were 10.00% of covered payroll for members in state and local classifications. The calendar year 2012 and 2013 employer contribution rate for state and local employers was 14.00% of covered payroll. Of that amount, 10.00% is used to fund the pension obligation in the Traditional Plan. The portion of employer contributions to fund the pension obligation in the Combined Plan was 7.95% for calendar year 2012. For both plans in 2013, the portion of employer contributions to fund the pension obligation was 13%.
- F. The Commission's required contributions for pension obligations for the periods ended June 30, 2013, 2012 and 2011 were \$173,616, \$226,920, and \$220,035 respectively. In 2003, the Commission implemented a Fringe Benefit Pickup plan for the entire employee contribution for certain classes of employees. The Commission's contributions in FY2013 under this plan were \$8,676.

9. OTHER POST-EMPLOYMENT BENEFITS

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 health care 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.

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

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to 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 coverage 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 coverage.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2013
(Continued)**

9. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In calendar year 2012 and 2013, state and local employers contributed at a rate of 14.00% of covered payroll. These are the maximum employer contribution rates permitted by the Ohio Revised Code. 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 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during calendar year 2012. Effective January 1, 2013, the portion of employer contributions allocated to healthcare was lowered to 1 percent for both plans, as recommended by the OPERS Actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The MVRPC's contributions allocated to fund post-employment health care benefits for the years ended June 30, 2013, 2012, and 2011 were \$36,635, \$68,831, and \$78,575 respectively.

C. OPERS Board of Trustees Adopt Changes to the Health Care Plan

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

10. CAPITAL ASSETS

	Balances at 6/30/2012	Additions	Deletions	Balances at 6/30/2013
Capital Assets:				
Furniture and Fixtures	\$69,153			\$69,153
Equipment	288,408	\$9,269	(\$808)	296,869
Leasehold Improvements	68,556			68,556
Total Capital Assets	<u>426,117</u>	<u>9,269</u>	<u>(808)</u>	<u>434,578</u>
Accumulated Depreciation:				
Furniture and Fixtures	69,153			69,153
Equipment	244,031	16,289	(724)	259,596
Leasehold Improvements	68,556			68,556
Total Accumulated Depreciation	<u>381,740</u>	<u>16,289</u>	<u>(724)</u>	<u>397,305</u>
Total Capital Assets, net	<u>\$44,377</u>	<u>(\$7,020)</u>	<u>(\$84)</u>	<u>\$37,273</u>

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2013
(Continued)**

11. SHORT and LONG TERM OBLIGATIONS

The following is a summary of long-term obligations for the year ended June 30, 2013:

	<u>Outstanding 6/30/2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Outstanding 6/30/2013</u>	<u>Amount Due Within One Year</u>
Compensated absences	\$148,899	\$189,050	\$174,955	\$162,994	\$23,401
Total Long Term Obligations	<u>\$148,899</u>	<u>\$189,050</u>	<u>\$174,955</u>	<u>\$162,994</u>	<u>\$23,401</u>

Obligations will be paid from the fund from which the employees' salaries are paid.

12. PROPERTY AND INSURANCE

The Commission is exposed to various risk of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2013, the Commission contracted with The Hartford Insurance Company and National Union Fire Insurance Company for the following insurance coverage:

Business personal property	\$955,000
Computer equipment	200,000
Comprehensive general liability	4,000,000
Valuable papers	200,000
Business auto coverage	2,000,000
Public officials & employee liability	1,000,000

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

13. CHANGE IN ACCOUNTING PRINCIPLE

For fiscal year 2013, the Commission has implemented *Governmental Accounting Standards Board (GASB) Statement No. 62 "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements,"* and *Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position"*.

GASB Statement No. 62 incorporates into GASB's authoritative literature certain FASB and AICPA pronouncements issued on or before November 30, 1989. The implementation of this statement did not result in any change in the Commission's financial statements.

GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related note disclosures. These changes were incorporated in the Commission's fiscal year 2013 financial statements; however, there was no effect on beginning net position/fund balance.

This page intentionally left blank.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual General Fund</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Grantor Agency	\$206,342	\$116,056	\$79,752	(\$36,304)
Other	54,311	26,717	22,410	(4,307)
Membership Dues	460,821	455,814	455,814	0
Total Revenues	<u>721,474</u>	<u>598,587</u>	<u>557,976</u>	<u>(40,611)</u>
Expenditures:				
Personnel	1,244,876	1,155,553	1,288,632	(133,079)
Contractual	278,567	305,013	109,971	195,042
Other	381,216	270,199	267,204	2,995
Indirect Costs	62,984	55,310	46,551	8,759
Capital Outlays	38,000	38,000	9,269	28,731
Total Expenditures	<u>2,005,643</u>	<u>1,824,075</u>	<u>1,721,627</u>	<u>102,448</u>
Excess of Expenditures Over Revenues	<u>(1,284,169)</u>	<u>(1,225,488)</u>	<u>(1,163,651)</u>	<u>61,837</u>
Other Financing Sources (Uses):				
Transfers-Out	(319,820)	(211,378)	(200,863)	10,515
Cost Allocation Plan Recoveries	1,603,989	1,436,866	1,544,189	107,323
Total Other Financing Sources	<u>1,284,169</u>	<u>1,225,488</u>	<u>1,343,326</u>	<u>117,838</u>
Change in Fund Balance	0	0	179,675	179,675
Fund Balance, July 1, 2012	<u>3,298,174</u>	<u>3,298,174</u>	<u>3,298,174</u>	<u>0</u>
Fund Balance, June 30, 2013	<u><u>\$3,298,174</u></u>	<u><u>\$3,298,174</u></u>	<u><u>\$3,477,849</u></u>	<u><u>\$179,675</u></u>

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL - SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Original Budget	Final Budget	Actual Special Revenue Fund	Variance Favorable (Unfavorable)
Revenues:				
Grantor Agency	\$3,673,980	\$2,702,412	\$2,576,751	(\$125,661)
Other	197,145	146,617	137,449	(9,168)
Total Revenues	<u>3,871,125</u>	<u>2,849,029</u>	<u>2,714,200</u>	<u>(134,829)</u>
Expenditures:				
Personnel	1,677,044	1,503,522	1,440,580	62,942
Contractual	1,024,779	321,667	310,104	11,563
Other	583,519	423,318	400,411	22,907
Indirect Costs	905,603	811,900	763,968	47,932
Total Expenditures	<u>4,190,945</u>	<u>3,060,407</u>	<u>2,915,063</u>	<u>145,344</u>
Excess of Expenditures Over Revenues	<u>(319,820)</u>	<u>(211,378)</u>	<u>(200,863)</u>	<u>10,515</u>
Other Financing Sources (Uses):				
Transfers-In	<u>319,820</u>	<u>211,378</u>	<u>200,863</u>	<u>(10,515)</u>
Total Other Financing Sources	<u>319,820</u>	<u>211,378</u>	<u>200,863</u>	<u>(10,515)</u>
Change in Fund Balances	0	0	0	0
Fund Balance, July 1, 2012	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30, 2013	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**SCHEDULE OF GENERAL CAPITAL ASSETS
JUNE 30, 2013**

Capital Assets:

Furniture and Fixtures	\$69,153
Equipment	296,869
Leasehold Improvements	<u>68,556</u>
Total Capital Assets	434,578
Less: Accumulated Depreciation	<u>(397,305)</u>
Total Capital Assets, net	<u><u>37,273</u></u>

Investment in Capital Assets:

General Fund	366,980
Special Revenue Funds	<u>67,598</u>
Total Investment in Capital Assets	434,578
Less: Accumulated Depreciation	<u>(397,305)</u>
Total Investment in Capital Assets, net	<u><u>37,273</u></u>
Less lease liability	
Total Investments in Capital Assets, net of liability	<u><u>\$37,273</u></u>

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**SCHEDULE OF FRINGE BENEFIT COST POOL CHARGES, RATE BASE, FINAL
RATE COMPUTATION AND CURRENT YEAR'S RECOVERY COMPARISON
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Fringe Benefit Cost Pool Charges:

Public Employees Retirement System Contributions	\$218,928
Health Insurance Premiums	199,003
Life Insurance Premiums	1,222
Workers' Compensation Premiums	7,697
Unemployment Insurance	1,409
F.I.C.A. (Medicare) Expenses	21,466
Sick Leave Pay	49,122
Holiday Pay	62,586
Vacation, Personal and Other Leave	135,712
Housing Allowance	4,500
Waived Health Premiums	5,520
Health administration	2,060
Employee parking	24,442
Total Fringe Benefit Cost Pool Charges	<u>733,667</u>

Fringe Benefit Cost Rate Base:

Salaries	<u>1,271,368</u>
----------	------------------

Final Fringe Benefit Cost Rate Computation:

Total Fringe Benefit Cost Pool Charges	<u>733,667</u>
Divided By: Total Fringe Benefit Cost Rate Base	1,271,368
Equals - Final Fringe Benefit Cost Rate	<u>57.707%</u>

Current Year's Cost Recovery Comparison:

Fringe Benefit Costs Recovered @ provisional rate of 61.0%	775,534
Fringe Benefits Over Recovered using Provisional Rate	41,867
Fringe Benefit Costs Recovered @ final rate of 57.707%	733,667
Total Fringe Benefit Cost Pool Charges	<u>733,667</u>
Final Over (Under) Recovered Costs	<u>\$0</u>

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**SCHEDULE OF INDIRECT COST POOL CHARGES, RATE BASE, FINAL RATE
COMPUTATION AND CURRENT YEAR'S RECOVERY COMPARISON
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Indirect Cost Pool Charges:

Salaries	\$302,255
Allocated Fringe Benefits (57.707%)	174,422
Contractual Services	70,053
Communication and Supplies	14,131
Rents and Rentals	154,471
Utilities	27,121
Travel	360
Maintenance and Repairs	9,765
Hardware / software agreements	27,136
Allowance for Depreciation	16,290
Audit / legal	14,511
Total Indirect Costs	810,515

Indirect Cost Rate Base:

Direct Salaries	969,113
Allocated Fringe Benefits 57.707%	559,245
Total Indirect Cost Rate Base	1,528,358

Final Indirect Cost Rate Computation:

Total Indirect Cost Pool Charges	810,515
Divided By: Total Indirect Cost Rate Base	1,528,358
Equals - Final Indirect Cost Rate	53.032%

Current Year's Cost Recovery Comparison:

Indirect Cost Recovered @ Provisional Rates 54.0% / 53.032%

Direct Salaries	969,113
Direct FB @ provisional rate 61.0%	591,159
Provision rate base	1,560,272
Recovery using Provision rate base	842,547
Over (Under) recovered @ provisional basis	32,032

Indirect Cost Recovered @ Provisional Rates 54.0%/ 53.032%

Direct Salaries	969,113
Direct FB @ actual rate 57.707%	559,246
Provision rate base	1,528,359
Recovery using actual rate base @ 53.032%	810,519
Over (Under) recovered @ actual basis	\$4

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**SCHEDULE OF COSTS FOR FEDERAL HIGHWAY ADMINISTRATION,
OHIO DEPARTMENT OF TRANSPORTATION, OHIO DEPARTMENT OF LABOR, AND OHIO EPA BY WORK ELEMENT
FISCAL YEAR ENDED JUNE 30, 2013**

Work Element	Project Description	Personnel	Fringe Benefits	Contractual	Other	Indirect costs	Total
601	Fed & St Legislation Regs	\$4,335.44	\$2,501.85			\$3,625.95	\$10,463.24
	Transit & HS Trans FY12	7,436.62	4,291.45		\$563.30	6,219.63	18,511.00
	Air Qlty/Access Control FY13	11,577.24	6,680.88		(7.19)	9,682.65	27,933.58
	Transit & HS Trans FY13	39,950.70	23,054.35	\$168.00	(164.84)	33,412.84	96,421.05
	Safety Study FY11	14,448.38	8,337.73		21.78	12,083.93	34,891.82
	601 Total	77,748.38	44,866.26	168.00	413.05	65,025.00	188,220.69
602	TIP Project Management FY11	9,323.60	5,380.37		51.84	7,797.81	22,553.62
	TIP SFY 12-15 & Admendments	46,989.20	27,116.06		446.52	39,299.51	113,851.29
	TIP Project Management FY13	69,031.27	39,835.87		681.04	57,734.42	167,282.60
	602 Total	125,344.07	72,332.30		1,179.40	104,831.74	303,687.51
605	Transportation Database FY12	23,747.13	13,703.76		1,793.79	19,860.96	59,105.64
	GIS Support FY12	56,160.72	32,408.67		3,968.84	46,970.12	139,508.35
	Transportation Database FY13	46,292.00	26,713.72		2,339.20	38,716.39	114,061.31
	GIS Support FY13	69,082.45	39,865.41		(1,820.91)	57,777.23	164,904.18
	605 Total	195,282.30	112,691.56		6,280.92	163,324.70	477,579.48
610	Landuse - STP FY10	95,808.95	55,288.47	26,938.52	6,347.30	80,129.98	264,513.22
	LRP Update FY12	26,632.73	15,368.95		1,757.59	22,274.33	66,033.60
	LRP Suppl. Research FY12	21,549.64	12,435.65		1,434.70	18,023.08	53,443.07
	LRP Update FY13	83,423.48	48,141.19		1,703.07	69,771.38	203,039.12
	LRP Suppl. Research FY13			1,446.48	(7,176.40)		(5,729.92)
	LRP Exec. Summary FY13	12,820.50	7,398.33		5,553.00	10,722.45	36,494.28
	610 Total	240,235.30	138,632.59	28,385.00	9,619.26	200,921.22	617,793.37
625	Public Service FY12	1,707.36	985.27		92.01	1,427.96	4,212.60
	Public Involv. & MR FY13	34,762.36	20,060.32	9,296.66	9,609.43	29,073.56	102,802.33
	Public Service FY13	3,607.04	2,081.51		(92.01)	3,016.75	8,613.29
	625 Total	40,076.76	23,127.10	9,296.66	9,609.43	33,518.27	115,628.22
665.11	Senior Trans Serv Mot Co FY13			18,026.00	11.30		18,037.30
665.12	Senior Trans Serv GDRTA			50.00			50.00
665.14	Senior Trans Svc - GDAHA FY08			355.00			355.00
	665 Total			18,431.00	11.30		18,442.30
667.1	WPAFB Project Support				1,321.02		1,321.02
	Van Pool - FY2011			1,647.00			1,647.00
	Rideshare FY12	1,049.00	605.35		(1,128.57)	877.33	1,403.11
	Van Pool - Fy2012	3,566.60	2,058.18	218,433.41	95.86	2,982.93	227,136.98
	Rideshare FY13	25,920.08	14,957.70	17,387.50	258,612.70	21,678.30	338,556.28
667.2	Enhanced AQ Forecasting			23,000.00			23,000.00
	AQ Awareness Prog FY12	336.92	194.43		(688.55)	281.79	124.59
	AQ Awareness Prog FY13	24,813.73	14,319.26	5,186.83	109,421.68	20,753.01	174,494.51
667.3	Reg. Cooperative Effort FY11	6,599.46	3,808.35		25.97	5,519.47	15,953.25
	Alternative Trans. FY12	44.07	25.43		476.29	36.86	582.65
	Alternative Trans. FY13	37,690.34	21,749.96	6,600.00	5,200.67	31,522.38	102,763.35
	Reg. Cooperative Effort FY13	31,501.75	18,178.71		366.53	26,346.54	76,393.53
	667 Total	131,521.95	75,897.37	272,254.74	373,703.60	109,998.61	963,376.27
674.12	Public Transit Admin - FTA	7,867.78	4,540.26	(1,066.30)	6,580.23		17,921.97
	Public Transit Admin. - FTA	17,493.01	10,094.69	1,209.70	14,630.31		43,427.71
695	Transportation Prog Admin FY13	66,309.42		38,265.18	782.83	55,458.00	160,815.43
901	Regional Bike Trail Maps				(39.50)		(39.50)
	Regional Bike Central Web Site			3,379.20			3,379.20
OEPA	Ohio WQ FPA FY2011	15,962.76	9,211.63		1,392.86	13,350.48	39,917.73
	WQ 604 (b) Activities SFY11	6,085.88	3,511.98		401.54	5,089.94	15,089.34
	WQ 604(b) Federal SFY13	5,488.36	3,167.17		(401.54)	4,590.20	12,844.19
	Ohio WQ FPA FY2012	6,660.72	3,843.70		(1,053.13)	5,570.70	15,021.99
	OEPA Total	34,197.72	19,734.48		339.73	28,601.32	82,873.25
Grand Totals		\$936,076.69	\$501,916.61	\$370,323.18	\$423,110.56	\$761,678.86	\$2,993,105.90

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**OFFICERS AND EXECUTIVE COMMITTEE
AS OF JUNE 30, 2013**

MVRPC Officers:

<u>Name</u>	<u>Organization</u>	<u>Title</u>
Michael Beamish, Chair	Troy	Mayor
Jan Vargo, First Vice-Chair	Huber Heights	Council Member
Carol Graff, Second Vice-Chair	Beavercreek Township	Trustee

Executive Committee Members:

<u>Name</u>	<u>Organization</u>	<u>Title</u>
Janet Bly	Miami Conservancy District	General Manager
Willa Bronston	Jefferson Twp.	Trustee
Judy Dodge	Montgomery County	Commissioner
Dolores Gillis	Tipp City	Council Member
Bob Glaser	Greene County	Commissioner
Arthur Haddad	Troy Chamber of Commerce	Chairman
Rap Hankins	Trotwood	Council Member
Jerome Hirt, Sr.	Bethel Twp.	Trustee
Matt Joseph	Dayton	Commissioner
Chris Mucher	Miami Twp. - GRE	Trustee
Thomas Nagel	Fairborn	Mayor
John O'Brien	Miami County	Commissioner
Donald Patterson, Jr.	Kettering	Mayor
Woodrow Stroud	Greene County Transit Board	Board Member
William Vogt	Piqua	City Commissioner
Deborah Wallace	Beavercreek	Council Member
David Wesler	Preble County	Commissioner

This page is intentionally left blank.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Federal Grantor/ Pass Through Grantor Program Title	Grant Number or Description	Federal CFDA Number	Expenditures
U.S. Environmental Protection Agency			
<i>Passed through Ohio Environmental Protection Agency</i>			
Water Quality Management Planning	604(b) Water Quality Planning Facility Planning Area	66.454	<u>\$27,934</u>
Total U.S. Environmental Protection Agency			27,934
U.S. Department of Transportation			
<i>Passed through Ohio Department of Transportation</i>			
Highway Planning and Construction	Alternative Trans & Air Qlt Awareness	20.205	300,965
	Consolidated Planning FY 2012	20.205	333,383
	Consolidated Planning FY 2013	20.205	766,203
	Landuse Transp. Plans	20.205	264,513
	Rideshare	20.205	341,606
	Van Pool	20.205	227,137
	Supplemental Planning	20.205	<u>253,660</u>
Total Highway Planning and Construction			2,487,467
Job Access and Reverse Commute Program	Public Transit Human Services Transportation Plan	20.516	37,414
New Freedom Program	Public Transit Human Services Transportation Plan	20.521	23,935
Total U.S. Department of Transportation			<u>2,548,816</u>
Total Expenditures of Federal Awards			<u><u>\$2,576,750</u></u>

See accompanying notes to the Schedule of Federal Awards Expenditures.

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 2013**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the Miami Valley Regional Planning Commission's (the Commission's) federal award programs' disbursements. The Schedule has been prepared on the accrual basis of accounting.

NOTE B - SUB-RECIPIENTS

The Commission passes certain federal awards received from National Association of Regional Councils to other governments or not-for-profit agencies (sub-recipients). As Note A describes, the Commission reports expenditures of Federal awards to sub-recipients on an accrual basis.

As a sub-recipient, the Commission has certain compliance responsibilities, such as monitoring its sub-recipients to help assure they use these sub-awards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that sub-recipient achieves the award's performance goals.

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require the Commission to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Commission has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



Dave Yost • Auditor of State

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

Miami Valley Regional Planning Commission
Montgomery County
One South Main Street, Suite 260
Dayton, Ohio 45402

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities and each major fund of the Miami Valley Regional Planning Commission, Montgomery County, (the Commission) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated January 22, 2014.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Commission's internal control. Accordingly, we have not opined on it.

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 a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Commission's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

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, opining 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*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Columbus, Ohio

January 22, 2014



Dave Yost • Auditor of State

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

Miami Valley Regional Planning Commission
Montgomery County
One South Main Street, Suite 260
Dayton, Ohio 45402

To the Board of Directors:

Report on Compliance for the Major Federal Program

We have audited the Miami Valley Regional Planning Commission's (the Commission) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the Commission's major federal program for the year ended June 30, 2013. The *Summary of Audit Results* in the accompanying schedule of findings identifies the Commission's major federal program.

Management's Responsibility

The Commission's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the Commission's compliance for the Commission's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for 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 us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the Commission's major program. However, our audit does not provide a legal determination of the Commission's compliance.

Opinion on the Major Federal Program

In our opinion, the Miami Valley Regional Planning Commission complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2013.

Report on Internal Control Over Compliance

The Commission's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Commission's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Commission'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's applicable 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.



Dave Yost
Auditor of State

Columbus, Ohio

January 22, 2014

**MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2013**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Highway Planning and Construction: CFDA #20.205
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

This page intentionally left blank.



Dave Yost • Auditor of State

MIAMI VALLEY REGIONAL PLANNING COMMISSION

MONTGOMERY COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 20, 2014**