

**RICHLAND COUNTY
REGIONAL PLANNING COMMISSION
Regular Audit
For the Year Ended June 30, 2013**

Perry & Associates
Certified Public Accountants, A.C



Dave Yost • Auditor of State

Executive Committee
Richland County Regional Planning Commission
35 North Park Street
Suite 230
Mansfield, Ohio 44902

We have reviewed the *Independent Auditor's Report* of the Richland County Regional Planning Commission, Richland County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period July 1, 2012 through June 30, 2013. 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 Richland County Regional Planning Commission is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

February 26, 2014

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Richland County Regional Planning Commission

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INDEPENDENT AUDITOR'S REPORT

December 31, 2013

Richland County Regional Planning Commission
35 North Park Street
Mansfield, Ohio 44902

To the Executive Committee:

Report on the Financial Statements

We have audited the accompanying financial statements of the **Richland County Regional Planning Commission**, (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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Richland County Regional Planning Commission, as of June 30, 2013, and the changes in its financial position and in its cash flows 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*, 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 Information

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

The schedule of expenses by element on page 20 and the statement of direct labor, fringe benefits and general overhead-provisional method on pages 21-22 present additional analysis and are not a required part of the basic financial statements.

We did not subject the schedule of expenses by element and statement of direct labor, fringe benefits and general overhead-provisional method 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 December 31, 2013, 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.

Respectfully Submitted,



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

**Richland County Regional Planning Commission
Management's Discussion and Analysis
June 30, 2013 (Unaudited)**

Management's Discussion & Analysis (MD&A) Fiscal Year 2013

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

Financial Highlights

Key financial highlights for 2013 are as follows:

- The Commission's total net position remained stable with Fiscal Year 2012, increasing by \$6,656.
- The Commission's assets increased \$30,270, which represents a 14.9% increase from Fiscal Year 2012. The increase is associated with the increase in cash on hand and non-current assets.
- Total liabilities increased by \$23,614 which is 37.1% over the amount of liabilities stated in the Fiscal Year 2012 MD&A. The components of this increase in liabilities are associated with increases in accounts payable and compensated absences. Compensated absences have increased to due to accruals.
- Operating revenues decreased by \$9,029, which represents a 1.1% decrease due to a decrease in the Transportation Coordination program.
- Total operating expenses decreased by \$9,795 or 1.2%, due to the decreased costs associated with the Transportation Coordination program.

Using this Annual Financial Report

This annual report consists of three parts; the Management's Discussion and Analysis, the Basic Financial Statements and the Notes to the Basic Financial Statements. The Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and a Statement of Cash Flows.

**Richland County Regional Planning Commission
Management's Discussion and Analysis
June 30, 2013 (Unaudited)**

Statement of Net Position

The Statement of Net Position looks at how well the Commission has performed financially from inception through June 30, 2013. This Statement includes all of the assets, liabilities and net position balances using the accrual basis of accounting, which is the accounting method used by most private-sector companies. This basis of accounting takes into account all revenues earned and expenses incurred during the year, regardless as to when the cash is received or expended.

The following schedule provides a summary of the Commission's Statement of Net Position for fiscal years ended June 30, 2013 and June 30, 2012:

Assets	FY 2013	FY 2012
Current Assets	\$195,505	\$172,771
Non-Current Assets	38,276	30,740
 Total Assets	 \$233,781	 \$203,511
 Liabilities		
Current Liabilities	\$53,398	\$42,866
Non Current Liabilities	33,927	20,845
 Total Liabilities	 87,325	 63,711
 Net Position		
Net Investment in Capital Assets	38,276	30,740
Unrestricted	105,250	106,130
Restricted For- Special Vision Project	2,930	2,930
 Total Net Position	 \$146,456	 \$139,800

Net position remained stable with a \$6,656 increase; Unrestricted Net Position decreased \$880 while Net Investment in Capital Assets increased by \$7,536. An additional asset category was added in FY 2010, that of "Restricted for Special Vision Project." This category holds Vision project funds that were dispersed during FY 2009. The amount of \$2,930 is being held by the Commission for a future specified Vision project use.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position reports operating and non-operating activities for the fiscal year ended June 30, 2013. The following schedule provides a summary of the Commission's Statement of Revenues, Expenses and Changes in Net Position for fiscal years ended June 30, 2013 and June 30, 2012:

Operating Revenues	FY 2013	FY 2012
Federal	\$293,798	\$248,317
State	36,656	31,039
Local Governments	281,303	277,297
Coordination Revenue	230,214	294,450
Other	442	339
Total Operating Revenue	842,413	851,442

**Richland County Regional Planning Commission
Management's Discussion and Analysis
June 30, 2013 (Unaudited)**

Operating Expenses		
Salaries & Wages	450,906	422,435
Employee Benefits	125,437	122,571
Staff Expenses	8,356	8,512
Equipment & Supplies	27,227	21,794
Contractual Services	6,837	9,345
Occupancy and Other	32,318	32,031
Coordination Service	177,230	227,325
Depreciation	7,446	6,354
Total Operating Expense	<u>835,757</u>	<u>845,552</u>
Change in Net Position	<u>6,656</u>	<u>5,890</u>
Net Position at Beginning of Year	<u>139,800</u>	<u>133,910</u>
Net Position at End of Year	<u>\$146,456</u>	<u>\$139,800</u>

Revenues decreased by \$9,029. There was a \$64,236 decrease in the revenues of the Coordination Program in FY 2013. Operating expenses decreased by \$9,795 due mainly to a decrease in the Coordination Program. The actual decrease in the expenses of the coordination program was \$50,095, while the remaining expense categories had a total increase of \$40,300.

Capital Assets

As of June 30, 2013, the Commission had capital assets of \$38,276 invested in furniture and equipment. This figure is a \$7,536 increase compared to the amount presented for FY 2012. See Note 3 for additional information on capital assets.

Current Financial Issues

The largest portion of the Commission's budget is associated with its transportation planning program. The Federal Transportation legislation must be renewed every six (6) years; however it is seemingly never renewed on schedule. It often goes forward on a continuing resolution, creating some uncertainty about the level of funding to be expected.

Financial management of the Transportation Planning Program has also been subject to greater oversight from the Federal Highway Administration (FHWA) and the Ohio Department of Transportation (ODOT). New policies have been implemented that change aspects of the organization's presentation of financial information as well as the approach to dealing with the Cost Allocation Plan.

Funds are allocated to the Commission from various local sources, including county, municipal, township sources and the county engineer. A portion of the local funding is used to provide the required 10% local match for the transportation planning program. The balance supports local projects and planning initiatives, and costs that are ineligible for inclusion in the approved Cost Allocation Plan (CAP.) The Richland County economy is experiencing the national recession, and is additionally stressed by the downturn in the automobile industry and the closing of a General Motors facility in the City of Ontario. The economic circumstances have caused some local governments to reduce their local allocation to the Commission. Such reductions extending over several years may eventually hinder the Commission's ability to carry out a comprehensive planning program.

**Richland County Regional Planning Commission
Management's Discussion and Analysis
June 30, 2013 (Unaudited)**

Special Financial Management Notes for Fiscal Year 2013

- 1) The Commission utilizes a Cost Allocation Plan (CAP) in order to allocate its fringe benefit costs and its indirect cost appropriately to all programs. The CAP is prepared under the oversight of the Ohio Department of Transportation, which serves as the cognizant agency. The Commission uses the "provisional method." For Fiscal Year 2013 the Commission operated under an approved rate, recovering on the basis of direct time. With the provisional method, at the end of the Fiscal Year the actual fringe benefit cost and indirect costs are finalized, and a final rate is determined, and the costs are adjusted for over recovery or under recovery.

Cost Allocation Plan	Estimated FY 2013	Actual FY 2013
Fringe Benefit Rate	46.22%	48.41%
Indirect Cost Rate	70.64%	73.82%
Total Overhead Cost Rate	116.86%	122.23%

- 2) In accordance with government accounting standards, the RCRPC adopted a policy to anticipate the financial impact of retiring employees who will be eligible for some financial compensation for unused sick leave. A new account was established during FY 2008 identified as "6300 · Sick Payable on Retirement" and amounts are entered towards potential retirements between FY 2011 and FY 2017. The proper methodology for estimating this liability was finalized with the FY 2009 Audit. A total of \$0 was booked in FY 2013. The sick payable on retirement cannot be a part of a cost allocation plan until the year that the retirement distribution actually takes place.
- 3) The Commission incorporated "Program Assets" into its financial system several years prior to this fiscal year based on the recommendations of an extensive audit of its financial management and compliance procedures with Federal and State regulations and guidelines. This audit was conducted by the Ohio Department of Transportation of the Commission in its role as the Metropolitan Planning Organization (MPO.) Program assets are those pieces of capital equipment that are purchased entirely from specific program funds because usage is devoted to that project. A typical example is traffic counting equipment being purchased using transportation planning funds.
- 4) The Vision Project operated through the Commission for a number of years as a special non-operating fund. The Vision would facilitate projects or programs, the Commission would pay the costs, with reimbursement coming from vision funds held by the Richland County Foundation. During Fiscal Year 2009 the Vision Project discontinued its active phase, and the remaining funds were allocated to appropriate projects. A portion of the funds were allocated toward the future costs of reprinting an emergency preparedness booklet. The amount set aside for this work, at some indefinite point in the future is \$2,930. That amount was received and an Account 9500 "Vision Future Reserve" was established to hold that amount.

Contacting the Commission's Financial Management

This financial report is designed to provide a general overview of the Commission's finances and to show the Commission's accountability for the monies it receives. If you have any questions about this report or need additional information, please contact the Executive Director, Richland County Regional Planning Commission, 35 North Park Street, Suite 230, Mansfield, OH 44902, 419-774-5684.

Richland County Regional Planning Commission
Statement of Net Position
As of June 30, 2013

Assets	
Current Assets	
Cash on Hand	\$ 53,518
Federal Receivable	62,123
State Receivable	7,766
Local Government Receivable	27,675
Coordination Receivable	44,423
Total Current Assets	<u>195,505</u>
Non-Current Assets	
Furniture & Equipment	194,632
Accumulated Depreciation	<u>(156,356)</u>
Total Non-Current Assets	<u>38,276</u>
Total Assets	<u><u>\$ 233,781</u></u>
Liabilities	
Current Liabilities	
Accounts Payable	\$ 29,980
Intergovernmental Payable	11,012
Accrued Wages and Benefits	12,406
Total Current Liabilities	<u>53,398</u>
Long-Term Liabilities	
Compensated Absences	<u>33,927</u>
Total Long-Term Liabilities	<u>33,927</u>
Total Liabilities	<u>87,325</u>
Net Position	
Net Investment in Capital Assets	38,276
Restricted for Special Vision Project	2,930
Unrestricted	105,250
Total Net Position	<u>146,456</u>
Total Liabilities and Net Position	<u><u>\$ 233,781</u></u>

See accompanying notes to the basic financial statements.

Richland County Regional Planning Commission
Statement of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended June 30, 2013

Operating Revenues	
Intergovernmental:	
Federal	\$ 293,798
State	36,656
Local Governments	281,303
Charges for Service:	
Coordination	230,214
Other	442
Total Operating Revenues	<u>842,413</u>
Operating Expenses	
Salaries & Wages	450,906
Employee Benefits	125,437
Staff Expenses	8,356
Equipment	11,991
Supplies	15,236
Contractual Services	6,837
Occupancy and Other	32,318
Coordination Service	177,230
Depreciation	7,446
Total Operating Expenses	<u>835,757</u>
Change in Net Position	6,656
Net Position at Beginning of Year	<u>139,800</u>
Net Position at End of Year	<u><u>\$ 146,456</u></u>

See accompanying notes to the basic financial statements.

Richland County Regional Planning Commission
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2013

Cash Flows from Operating Activities	
Cash Received from Federal Sources	\$ 288,243
Cash Received from State Sources	38,628
Cash Received from Local Sources	293,650
Cash Received from Coordination	230,010
Cash Payments to Suppliers for Goods and Services	(245,482)
Cash Payments to Employees for Services	(559,215)
Other Operating Revenues	442
Net Cash Provided by Operating Activities	<u>46,276</u>
Cash Flows from Capital and Related Financing Activities	
Payments for Capital Acquisitions	<u>(14,982)</u>
Net Cash (Used) by Capital and Related Financing Activities	<u>(14,982)</u>
Net Increase in Cash	31,294
Cash at Beginning of Year	<u>22,224</u>
Cash at End of Year	<u><u>\$ 53,518</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	\$ 6,656
Adjustments to Reconcile Operating Gain to Net Cash Provided by Operating Activities	
Depreciation	7,446
(Increase) Decrease in Assets	
Accounts Receivable	8,560
Increase (Decrease) in Liabilities	
Accounts Payable	6,486
Intergovernmental Payable	2,645
Accrued Wages and Benefits	1,401
Compensated Absences	<u>13,082</u>
Total Adjustments	<u>39,620</u>
Net Cash Provided by Operating Activities	<u><u>\$ 46,276</u></u>

See accompanying notes to the basic financial statements.

RICHLAND COUNTY REGIONAL PLANNING COMMISSION
RICHLAND COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

NOTE 1 -DESCRIPTION OF THE ENTITY

The Richland County Regional Planning Commission (the Commission) was organized in 1959 under Section 713.21 of the Ohio Revised Code to promote land use and transportation planning. The Commission provides services for the benefit of the local governments and operates under the control of the Planning Commission, which is the legislative authority, comprised of representatives from political subdivisions and private businesses in Richland County.

In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14, "The Reporting Entity", the Commission is not considered part of the Richland County financial reporting entity. There are no agencies or organizations for which the Commission is considered the primary government. Accordingly, the Commission is the sole organization of the reporting entity.

The Commission maintains its own set of accounting records. These financial statements were prepared from the accounts and financial records of the Commission and, accordingly, these financial statements do not present the financial position or results of operations of Richland County.

The accompanying financial statements have been designed to facilitate an understanding of the financial position and results of operations of the Commission. The activity of the Commission is determined by an overall work program which is approved by the Commission's Board and the Ohio Department of Transportation. All revenue and related costs are accounted for on a project basis. The financial information contained in these statements is the responsibility of the Commission.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

Enterprise accounting is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

B. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by its measurement focus. Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflow of resources, liabilities and deferred inflow of resources are included on the Statement of Net Position. Operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

RICHLAND COUNTY REGIONAL PLANNING COMMISSION
RICHLAND COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

NOTE 2– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus and Basis of Accounting (Continued)

Basis of accounting refers to when revenues and expenses are recognized in the financial records and reported in the financial statements. The Commission's financial statements are prepared using the accrual basis of accounting. Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded when the exchange takes place. Revenues resulting from non-exchange transactions, in which the Commission receives value without directly giving equal value in return, such as grants and entitlements, are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the Commission must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Commission on a reimbursement basis. Expenses are recognized at the time they are incurred.

A deferred inflow of resources is an acquisition of net assets by the Commission that is applicable to a future reporting period. A deferred outflow of resources is a consumption of net assets by the Commission that is applicable to a future reporting period.

C. Cash Deposits

As required by Section 713.21, Ohio Revised Code, the Commission must deposit all receipts in the Richland County Treasury. The County Treasurer maintains a cash and investment pool used for all County and Commission funds. The Commission has no other cash deposits or investments and does not receive interest income on its cash balances held in the County Treasury.

Protection of the County's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment by Surety Company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

D. Investments

The Ohio Revised Code does not provide the Commission the power to make or hold investments other than the deposits in the Richland County Treasury explained above.

E. Capital Assets and Depreciation

Furniture and equipment items are stated at cost and are depreciated on the straight line method over their estimated useful lives that range from three to twenty years. Donated furniture and equipment is recorded at fair market value on the date donated. Upon sale or disposition of furniture and equipment, the cost and related depreciation are removed from the accounts and any gain or loss is recognized.

F. Indirect Costs and Fringe Benefits

Indirect costs are computed in accordance with OMB Circular A-87 under a cost allocation plan approved by the Ohio Department of Transportation. The Commission utilizes the Provisional Method to calculate over/ (underpayments) by the Ohio Department of Transportation. Under this method, an estimated or temporary overhead rate is calculated for the fiscal year. This rate is used for funding, interim reimbursement, and reporting indirect costs on Federal awards for the period. At the end of the fiscal year, an actual indirect cost rate is calculated. The entity then invoices or reimburses each funding agency for any under or over recovery. Under this method, there is no carry forward provision.

RICHLAND COUNTY REGIONAL PLANNING COMMISSION
RICHLAND COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

NOTE 2– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Budgetary Accounting

The accounting principles employed by the Commission in its budgetary accounting and reporting are the same as those used to present financial statements in accordance with generally accepted accounting principles. Outlined below are the annual procedures the Commission follows to establish the expense data reported in the financial statements:

In December or January, the Commission receives a preliminary indication of the funding mark from the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA), through the Ohio Department of Transportation (ODOT).

In January and February the Commission begins drafting the Overall Work Program (OWP) for the coming fiscal year (July 1 through June 30). The funding resources from FHWA, FTA and ODOT are assigned to appropriate work elements. Remaining anticipated local funds are allocated to local service work elements. The OWP also incorporates activities and funding that support the various services provided by the Commission.

By April, the Commission receives feedback on the draft OWP, and is aware of the appropriation from the two largest local governments (the City of Mansfield and Richland County). The final OWP is prepared, including work elements to be completed, the costs associated with each of these elements, the staff resources and time allocation necessary to complete the work program, and the other direct and indirect costs associated with the work program, and the operation of the Planning Commission. Final approval on the OWP is made by the Commission at its May meeting, and generally ODOT/ FHWA /FTA approval comes near the start of the fiscal year.

The OWP is the instrument in which the Indirect Cost Allocation Plan is presented allocating indirect costs to all programs on the basis of a percentage of direct time.

In June of each year, the Executive Committee reviews a budget drawn from the OWP. This budget lists anticipated expenses by type as well as by program.

Budget categories for expense are salaries (including vacation, holidays and sick time), payroll additives, expenses, equipment, supplies, contractual and occupancy.

The Executive Committee meets monthly and reviews a financial report which presents monthly expenses by type and program, as well as for the fiscal year to date. It also tracks the actual indirect costs and provides a comparison to the OWP approved rate.

Throughout the year, the Executive Committee has the opportunity to amend the approved budget if it appears that the original estimates were incorrect. Generally, if an amendment is required, the Commission will try to make it near the end of the fiscal year.

H. Cash Equivalents

For the purposes of the Statement of Cash Flows, the Commission considers all cash held by the Richland County Treasury to be cash equivalents since they are available to the Commission upon demand.

**RICHLAND COUNTY REGIONAL PLANNING COMMISSION
RICHLAND COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

NOTE 2– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The Commission records a liability for all accumulated unused vacation time when earned or all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vested method. The Commission records a liability for those employees with twenty years of service at the Commission or at age 55 for those who will have ten years of service by the age of 60 up to a maximum of thirty days.

J. Operating and Non-Operating Revenues (Expenses)

Operating revenues are those revenues that are generated directly from the primary activities. For the Commission, these revenues are primarily membership fees from participating subdivisions. Non-operating revenues consist of federal and state grants and any gain on the disposal of capital assets. Operating expenses are cost incurred to provide the good or service that is the primary activity of the Commission. Non-operating expenses consist of interest expense and any loss on the disposal of capital assets.

K. Use of Estimates

The preparation of 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 these estimates.

L. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component “net investment in capital assets”, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position.

NOTE 3 – CAPITAL ASSETS

A summary of the Commission’s Capital Assets at June 30, 2013 is as follows:

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
Furniture and Equipment	\$ 179,650	\$ 14,982	\$ -	\$ 194,632
Accumulated Depreciation	(148,910)	(7,446)	-	(156,356)
Book Value	<u>\$ 30,740</u>	<u>\$ 7,536</u>	<u>\$ -</u>	<u>\$ 38,276</u>

RICHLAND COUNTY REGIONAL PLANNING COMMISSION
RICHLAND COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

NOTE 4 – PENSION PLAN

Ohio Public Employees Retirement System

Plan Description - The Commission participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the combined plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the traditional plan benefit. Member contributions, the investment of which is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan. Members in the local division may participate in all three plans.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or (800)-222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For fiscal year 2013, member and 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 division exist only within the traditional plan. The fiscal year 2013 member contribution rates were 10.00% for members in local classifications. The Commission's contribution rate for fiscal year 2013 was 14.00%.

The Commission's contribution rate for pension benefits for members in the traditional plan for fiscal year 2013 was 10.00% for the period July 1, 2012 through December 31, 2012, and 13.00% for the period January 1, 2013 through June 30, 2013. The Commission's contribution rate for pension benefits for members in the combined plan for fiscal year 2013 was 7.95% for the period July 1, 2012 through December 31, 2012, and 13.00% for the period January 1, 2013 through June 30, 2013. The Commission's required contributions for pension obligations to the traditional and combined plans for the years ended June 30, 2013, 2012, and 2011, were \$62,867, \$58,328, and \$65,771, respectively. The full amount has been contributed.

NOTE 5– POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

Plan Description - 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.

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. 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.

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, Attention: finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

**RICHLAND COUNTY REGIONAL PLANNING COMMISSION
RICHLAND COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

NOTE 5– POSTEMPLOYMENT BENEFITS (Continued)

Funding Policy – The post-employment healthcare plan was established under, and is administered in accordance with Internal Revenue Code Section 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer’s contribution to the traditional or combined plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In fiscal year 2013, local government employers contributed 14.00% of covered payroll. Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the post-employment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare in the traditional plan for fiscal year 2013 was 4.00% for the period July 1, 2012 through December 31, 2012, and 1.00% for the period January 1, 2013 through June 30, 2013. The portion of employer contributions allocated to fund post-employment healthcare for members in the combined plan for fiscal year 2013 was 6.05% for the period July 1, 2012 through December 31, 2012, and 1.00% for the period January 1, 2013 through June 30, 2013.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment healthcare plan.

The Commission’s contributions allocated to fund post-employment health care benefits for the fiscal years ended June 30, 2013, 2012, and 2011 were \$31,433, \$29,164, and \$32,886, respectively; 100 percent has been contributed for all years.

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 State Bill 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.

NOTE 6– LONG TERM LIABILITIES

Long-Term liabilities at June 30, 2013 were as follows:

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
Compensated Absences	<u>\$20,845</u>	<u>\$28,126</u>	<u>(\$15,044)</u>	<u>\$33,927</u>

**RICHLAND COUNTY REGIONAL PLANNING COMMISSION
RICHLAND COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

NOTE 7– RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts, theft or damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters.

Through Richland County, the Commission maintained coverage with the County Risk Sharing Authority (CORSA), as follows:

General Liability:	Limit: \$1,000,000 per Occurrence – No Annual Aggregate
Auto Liability:	Limit: \$1,000,000 per Occurrence – No Annual Aggregate Auto Medical Payments \$5,000 Each Person, \$50,000 Each Accident
Public Officials Liability:	\$1,000,000 per Occurrence - \$1,000,000 Annual Aggregate
Crime Coverage:	Employee Dishonesty \$1,000,000 Money and Securities \$1,000,000 Depositor’s Forgery \$1,000,000 Money Orders and Counterfeit Paper \$1,000,000 Building– Contents Replacement Cost
Equipment:	Valuable Papers \$1,000,000 Extra Expense \$1,000,000 Electronic Data Processing Replacement Cost Contractors Equipment Replacement Cost Misc. Inland Marine Replacement Cost Motor truck Cargo \$100,000 Flood & Earthquake Replacement Cost Auto Physical Damage Actual Cash Value Automatic Acquisition \$5,000,000
Excess Liability:	Richland County \$5,000,000
Errors & Omissions Liability:	\$1,000,000 per Occurrence - Annual Aggregate

Settled claims have not exceeded commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

NOTE 8– RISK SHARING POOL

Through Richland County, the Commission participates in the County Risk Sharing Authority, Inc. (CORSA), a risk sharing pool made up of sixty-two member counties. CORSA was formed as an Ohio nonprofit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, 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. This coverage includes comprehensive general liability, automobile liability, certain property insurance and public officials’ errors and omissions liability insurance.

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of the Corporation are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any one time. Each member county’s control over the budgeting and financial of CORSA is limited to its voting authority and any representation it may have on the board of trustees. CORSA has issued certificate of participation in order to provide adequate cash reserves. The certificates are secured by the member counties’ obligations to make coverage payments to CORSA. The participating counties have no responsibility for the payment of certificates. The Commission does not have any equity interest in CORSA since the Commission is included as a part of Richland County.

RICHLAND COUNTY REGIONAL PLANNING COMMISSION
RICHLAND COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

NOTE 9 – CONTINGENCIES

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

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

NOTE 10 – SUBSEQUENT EVENTS

Management has considered all subsequent events through the date the financial statements were made available.

NOTE 11 – CHANGES IN ACCOUNTING PRINCIPLES

For fiscal year 2013, the Commission has implemented Governmental Accounting Standards Board (GASB) Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements", Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34", Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements", Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position", Statement No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions-an amendment of GASB Statement No. 53", Statement No. 65, "Items Previously Reported as Assets and Liabilities", and Statement No. 66, "Technical Corrections-2012-an amendment of GASB Statements No. 10 and No. 62".

GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements which are a type of public-public or public-private partnership. The implementation of this statement did not result in any change to the Commission's financial statements.

GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity. The Statement amends the criteria for reporting component units as if they were part of the primary government in certain circumstances. Finally, the Statement also clarifies the reporting of equity interests in legally separate organizations. The implementation of this statement did not result in any change to the Commission's financial statements.

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 to 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 the statement of financial position and related note disclosures. These changes were incorporated in the Commission's financial statements; however, there was no effect on beginning net position and/or fund balance.

GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of this statement did not result in any change to the Commission's financial statements.

**RICHLAND COUNTY REGIONAL PLANNING COMMISSION
RICHLAND COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

NOTE 11 – CHANGES IN ACCOUNTING PRINCIPLES (Continued)

GASB Statement No. 65 properly classifies certain items that were previously reported as assets or liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets or liabilities as inflows of resources (revenues) or outflows of resources (expenses or expenditures). These changes were incorporated in the Commission's financial statements; however, there was no effect on beginning net position and/or fund balance.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and, thereby, enhance the usefulness of the financial reports. The implementation of this statement did not result in any change to the Commission's financial statements.

Supplementary Information

**Richland County Regional Planning Commission
Richland County**

**Schedule of Expenses by Element
For the Fiscal Year Ended June 30, 2013
(Unaudited)**

Project	Direct Labor	Other Direct	Fringe Benefits	Indirect Cost	Total
Community Development Block Grant					
204 CDBG	\$ 14,221	\$ 1,000	\$ 6,573	\$ 10,046	\$ 31,840
Total Community Development Block Grant	<u>14,221</u>	<u>1,000</u>	<u>6,573</u>	<u>10,046</u>	<u>31,840</u>
Ohio Public Works					
206 Infrastructure	7,893	70	3,648	5,576	17,187
Total Ohio Public Works	<u>7,893</u>	<u>70</u>	<u>3,648</u>	<u>5,576</u>	<u>17,187</u>
ODOT					
601 Short Range	78,000	1,501	36,052	55,099	170,652
602 TIP	11,855	500	5,479	8,374	26,208
605 Surveillance	25,000	2,500	11,555	17,660	56,715
610 Long Range	35,964	9,000	16,623	25,405	86,992
625 Planning Assistance	15,000	3,000	6,933	10,596	35,529
695 Program Supervision	12,141	750	5,612	8,577	27,080
Total ODOT	<u>177,960</u>	<u>17,251</u>	<u>82,254</u>	<u>125,711</u>	<u>403,176</u>
Public Transportation					
674.2 RCTB General	22,428	1,000	10,366	15,843	49,637
Total Public Transportation	<u>22,428</u>	<u>1,000</u>	<u>10,366</u>	<u>15,843</u>	<u>49,637</u>
Coordination					
674.4 Service Coordination	28,907	245,000	13,361	20,420	307,688
Total Coordination	<u>28,907</u>	<u>245,000</u>	<u>13,361</u>	<u>20,420</u>	<u>307,688</u>
Local Service					
901 Local Service	18,856	2,500	8,715	13,320	43,391
Total Local Service	<u>18,856</u>	<u>2,500</u>	<u>8,715</u>	<u>13,320</u>	<u>43,391</u>
Geographic Information Sys.					
916 GIS External	18,695	-	8,641	-	27,336
915 GIS Consortium	28,042	6,000	12,961	19,809	66,812
Total Geographic Information Sys.	<u>46,737</u>	<u>6,000</u>	<u>21,602</u>	<u>19,809</u>	<u>94,148</u>
TOTAL	<u><u>\$ 317,002</u></u>	<u><u>\$ 272,821</u></u>	<u><u>\$ 146,519</u></u>	<u><u>\$ 210,725</u></u>	<u><u>\$ 947,067</u></u>

Richland County Regional Planning Commission
STATEMENT OF DIRECT LABOR, FRINGE BENEFITS, AND GENERAL OVERHEAD - PROVISIONAL METHOD
(July 1, 2012 - June 30, 2013)
(Unaudited)

	Estimated FY 2013	Actual FY 2013	Difference (Over Bdgt.) Under Bdgt.	ODOT Adjustments	Estimated FY 2013
Wages paid for time worked:					
11: All Other Direct Labor	\$ 278,633	\$ 273,300	\$ 5,333	\$ -	\$ 278,633
13: GIS External Direct Labor	\$ 18,695	\$ 14,022	\$ 4,673	\$ -	\$ 18,695
12: Indirect Labor	\$ 93,358	\$ 98,583	\$ (5,225)	\$ -	\$ 93,358
Total Labor - base for fringe allocation	\$ 390,686	\$ 385,905	\$ 4,781	\$ -	\$ 390,686
Fringe Benefits					
211: Holiday Leave Taken	\$ 15,894	\$ 15,232	\$ 662	\$ -	\$ 15,894
212: Vacation Leave Accrued	\$ 24,648	\$ 26,270	\$ (1,622)	\$ -	\$ 24,648
213: Sick Leave Taken	\$ 11,427	\$ 21,642	\$ (10,215)	\$ -	\$ 11,427
<i>Subtotal Fringe Benefit Wages</i>	\$ 51,970	\$ 63,144	\$ (11,174)	\$ -	\$ 51,970
Other Fringe Benefits					
22: PERS (Employer Share)	\$ 61,805	\$ 61,295	\$ 510	\$ -	\$ 61,805
23: Workers Compensation	\$ 5,000	\$ 4,070	\$ 930	\$ -	\$ 5,000
24: Medicare	\$ 6,229	\$ 6,192	\$ 37	\$ -	\$ 6,229
25.1: Health Insurance & Dental & Buyout	\$ 52,903	\$ 49,484	\$ 3,419	\$ -	\$ 52,903
25.2: Life - County	\$ 239	\$ 237	\$ 3	\$ -	\$ 239
25.3: Life - RCRPC	\$ 2,434	\$ 2,392	\$ 42	\$ -	\$ 2,434
25.4: Flexible Administration	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Prior Year Rate Adjustment (use only with fixed rate)</i>	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Subtotal Other Fringe Benefits</i>	\$ 128,610	\$ 123,670	\$ 4,940	\$ -	\$ 128,610
TOTAL FRINGE BENEFITS	\$ 180,580	\$ 186,814	\$ (6,234)	\$ -	\$ 180,580
Indirect Costs					
12: Indirect Labor	\$ 93,636	\$ 98,583	\$ (4,947)	\$ -	\$ 93,636
Fringe Benefits for Indirect Salaries	\$ 43,151	\$ 47,723	\$ (4,572)	\$ -	\$ 43,151
30: Staff Expenses - Other	\$ -	\$ 45	\$ (45)	\$ -	\$ -
31: Travel	\$ 400	\$ 342	\$ 58	\$ -	\$ 400
32: County Car	\$ 50	\$ 8	\$ 42	\$ -	\$ 50
33: Professional Memberships	\$ 500	\$ 415	\$ 85	\$ -	\$ 500
34: Local Registration / Conference	\$ 500	\$ 306	\$ 194	\$ -	\$ 500
35: Other Registration / Conference	\$ 500	\$ -	\$ 500	\$ -	\$ 500
36: RCRPC Meeting Costs	\$ 50	\$ -	\$ 50	\$ -	\$ 50
37: Staff Parking	\$ 1,500	\$ 1,935	\$ (435)	\$ -	\$ 1,500
40: Equipment - Other	\$ -	\$ -	\$ -	\$ -	\$ -
41: Leases - Copy Service	\$ 2,500	\$ 2,259	\$ 241	\$ -	\$ 2,500
42: Maintenance	\$ 6,000	\$ 7,213	\$ (1,213)	\$ -	\$ 6,000
43: Purchases	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ 1,000
44: Depreciation	\$ 6,000	\$ 4,716	\$ 1,284	\$ -	\$ 6,000
51: Office	\$ 3,500	\$ 2,402	\$ 1,098	\$ -	\$ 3,500
52: Drafting	\$ -	\$ -	\$ -	\$ -	\$ -
53: Postage	\$ 3,000	\$ 1,899	\$ 1,101	\$ -	\$ 3,000
55: Publications	\$ 700	\$ 292	\$ 408	\$ -	\$ 700
56: Software	\$ 500	\$ 1,500	\$ (1,000)	\$ -	\$ 500
61: Printing	\$ 500	\$ -	\$ 500	\$ -	\$ 500
62: Legal Services & Public Notices	\$ 500	\$ 158	\$ 342	\$ -	\$ 500
63: Accounting, Audits	\$ -	\$ -	\$ -	\$ -	\$ -
64: Other Consultants & Misc.	\$ 500	\$ 61	\$ 439	\$ -	\$ 500
71: Rent	\$ 31,000	\$ 30,625	\$ 375	\$ -	\$ 31,000
73: Telephone	\$ 1,000	\$ 1,693	\$ (693)	\$ -	\$ 1,000
74: Other	\$ 100	\$ -	\$ 100	\$ -	\$ 100
4300: Non-Budgeted Revenue	\$ (250)	\$ (432)	\$ 182	\$ -	\$ (250)
Other	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Prior Year Rate Adjustment (use only with fixed rate)</i>	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL INDIRECT COSTS	\$ 196,837	\$ 201,743	\$ (4,906)	\$ -	\$ 196,837

Richland County Regional Planning Commission
STATEMENT OF DIRECT LABOR, FRINGE BENEFITS, AND GENERAL OVERHEAD - PROVISIONAL METHOD
(July 1, 2012 - June 30, 2013)
(Unaudited)

	Estimated FY 2013	Actual FY 2013	Difference (Over Bdgt.) Under Bdgt.	ODOT Adjustments	Estimated FY 2013
Direct Labor Costs by Department:					
200: Community Development	\$ 14,221	\$ 17,092	\$ (2,871)	\$ -	\$ 14,221
300: Economic Development	\$ 7,893	\$ 3,849	\$ 4,044		\$ 7,893
600: Transportation	\$ 158,286	\$ 158,807	\$ (521)	\$ -	\$ 158,286
674: Transit	\$ 51,335	\$ 49,052	\$ 2,283	\$ -	\$ 51,335
900: Local Services	\$ 18,856	\$ 16,266	\$ 2,590	\$ -	\$ 18,856
900: GIS Local	\$ 28,042	\$ 28,234	\$ (192)	\$ -	\$ 28,042
TOTAL DIRECT LABOR COSTS	\$ 278,633	\$ 273,300	\$ 5,333	\$ -	\$ 278,633
Fringe Benefit Cost Rate Computation					
TOTAL Fringe Benefit Costs /	\$ 180,580	\$ 186,814			\$ 180,580
TOTAL Labor Costs (All Direct & Indirect)	\$ 390,686	\$ 385,905			\$ 390,686
= Fringe Benefit Cost Rate	46.22%	48.41%			46.22%
FY 2013					
Fringe Benefit Cost Recovery Comparison (Direct Labor Portion Only)					
Should have recovered in fiscal year (Actual Direct Labor * Actual Fringe Benefit Cost Rate)	\$ 132,303		46.05%		of All Direct Labor
Amount actually recovered in fiscal year (Actual Direct Labor x ESTIMATED Fringe Benefit Cost Rate)	\$ 126,323		43.97%		of All Direct Labor
Prior Year Net (Over) / Under Recovery	\$ -				
Prior Year (Over) / Under Recovery Posted to Cost Pool	\$ -				
(Over)/Under Recovery of Fringe Benefits	\$ 5,980				A (over)/under
Indirect Cost Rate Computation					
TOTAL Indirect Costs /	\$ 196,837	\$ 201,743			\$ 196,837
only DIRECT Labor Costs	\$ 278,633	\$ 273,300			\$ 278,633
= Indirect Cost Rate	70.64%	73.82%			70.64%
FY 2013					
Indirect Cost Recovery Comparison (All Indirect Costs, Indirect Labor & Indirect Labor Fringe Benefits)					
Should have recovered in fiscal year (Actual Direct Labor * Actual Indirect Cost Rate)	\$ 201,743		73.82%		of All Direct Labor not County Engineer
Amount actually recovered in fiscal year (Actual Direct Labor x ESTIMATED Indirect Cost Rate)	\$ 193,070		70.64%		of All Direct Labor not County Engineer
Prior Year Net (Over) / Under Recovery	\$ -				
Prior Year (Over) / Under Recovery Posted to Cost Pool	\$ -				
(Over)/Under Recovery of Indirect Costs	\$ 8,673				B (over)/under
FY 2013					
Fringe Benefit Cost (Over)/Under Recovery		\$ 5,980			A (over)/under
Indirect Cost (Over)/Under Recovery		\$ 8,673			B (over)/under
Net (Over)/Under Recovery		\$ 14,653			
Summary					
	Estimated FY 2013	Actual FY 2013			Estimated FY 2013
Fringe Benefit Rate	46.22%	48.41%			46.22%
Indirect Cost Rate	70.64%	73.82%			70.64%
Total Overhead Cost Rate *	116.86%	122.23%			116.86%

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

December 31, 2013

Richland County Regional Planning Commission
35 North Park Street
Mansfield, Ohio 44902

To the Executive Committee:

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 **Richland County Regional Planning Commission**, (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 December 31, 2013.

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 opinion 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*.

Richland County Regional Planning Commission
Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

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.

Respectfully Submitted,

A handwritten signature in black ink that reads "Perry & Associates CPAs A.C." in a cursive script.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

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Dave Yost • Auditor of State

RICHLAND COUNTY REGIONAL PLANNING COMMISSION

RICHLAND 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 11, 2014**