



**REGIONAL PLANNING COMMISSION
SANDUSKY COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 1999-1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

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REPORT OF INDEPENDENT ACCOUNTANTS

Regional Planning Commission
Sandusky County
100 North Park Avenue
Fremont, Ohio 43420-2464

To the Board of Trustees:

We have audited the accompanying financial statements of the Sandusky County Regional Planning Commission (the Commission) as of and for the years ended December 31, 1999 and 1998. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As discussed in Note 1, the Commission prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Commission as of December 31, 1999 and 1998, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2000, on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, and contracts.

This report is intended solely for the information and use of management, the Board of Trustees, and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

March 30, 2000

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Fees Charged to Subdivisions	\$40,230	\$0	\$40,230
Other Receipts	864		864
	<u>41,094</u>	<u>0</u>	<u>41,094</u>
Total Cash Receipts			
Cash Disbursements:			
Salaries	33,252		33,252
Supplies	283		283
Travel	700		700
Public Employee's Retirement	5,797		5,797
Worker's Compensation	151		151
Other	2,743		2,743
	<u>42,926</u>	<u>0</u>	<u>42,926</u>
Total Disbursements			
Total Disbursements Over Receipts	(1,832)	0	(1,832)
Fund Cash Balances, January 1	<u>38,104</u>	<u>1,000</u>	<u>39,104</u>
Fund Cash Balances, December 31	<u>\$36,272</u>	<u>\$1,000</u>	<u>\$37,272</u>
Reserve for Encumbrances, December 31	<u>\$52</u>	<u>\$0</u>	<u>\$52</u>

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

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>Governmental Fund Types</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Fees Charged to Subdivisions	\$38,987	\$0	\$38,987
Other Receipts	4,377		4,377
	<u>43,364</u>	<u>0</u>	<u>43,364</u>
Total Cash Receipts			
Cash Disbursements:			
Salaries	33,478		33,478
Supplies	105		105
Travel	1,095		1,095
Public Employee's Retirement	5,616		5,616
Worker's Compensation	50		50
Other	4,856		4,856
	<u>45,200</u>	<u>0</u>	<u>45,200</u>
Total Disbursements			
Total Disbursements Over Receipts	(1,836)	0	(1,836)
Fund Cash Balances, January 1	<u>39,940</u>	<u>1,000</u>	<u>40,940</u>
Fund Cash Balances, December 31	<u>\$38,104</u>	<u>\$1,000</u>	<u>\$39,104</u>
Reserve for Encumbrances, December 31	<u>\$72</u>	<u>\$0</u>	<u>\$72</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Regional Planning Commission, Sandusky County, (the Commission) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Board consists of representatives from participating political subdivisions, the county commissioners, and appointed citizens. The Commission formulates and reviews plans affecting long and short term social, economic, and governmental development within the region. The participating subdivisions are:

Sandusky County	Riley Township	Village of Burgoon
Ballville Township	Sandusky Township	City of Clyde
Green Creek Township	Scott Township	City of Fremont
Jackson Township	Washington Township	Village of Helena
Madison Township	Woodville Township	Village of Lindsey
Rice Township	York Township	Village of Woodville

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

B. Basis of Accounting

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

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

As required by Ohio Revised Code, the Commission's cash is held and invested by the Sandusky County Treasurer, who is the custodian for Commission monies. The Commission's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount.

D. Fund Accounting

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

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts) that are restricted to expenditure for specific purposes. The Commission had the following significant Special Revenue Fund:

Accumulated Sick Leave Benefits Fund: This money is set aside for future severance pay.

E. Budgetary Process

The Commission budgets each fund annually.

1. Appropriations

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

2. Estimated Resources

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

3. Encumbrances

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

A summary of 1999 and 1998 budgetary activity appears in Note 2.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as capital outlay disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G. Unpaid Vacation and Sick Leave

The employee is entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the Commission.

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)**

2. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 1999 and 1998 follows:

1999 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	<u>\$45,000</u>	<u>\$41,094</u>	<u>(\$3,906)</u>

1999 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$47,260	\$42,978	\$4,282
Special Revenue	<u>1,000</u>	<u>0</u>	<u>1,000</u>
Total	<u>\$48,260</u>	<u>\$42,978</u>	<u>\$5,282</u>

1998 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	<u>\$39,000</u>	<u>\$43,364</u>	<u>\$4,364</u>

1998 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$75,397	\$45,272	\$30,125
Special Revenue	<u>1,000</u>	<u>0</u>	<u>1,000</u>
Total	<u>\$76,397</u>	<u>\$45,272</u>	<u>\$31,125</u>

3. RETIREMENT SYSTEMS

The Commission's employee belongs to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999 AND 1998
(Continued)

4. RETIREMENT SYSTEMS

Contribution rates are also prescribed by the Ohio Revised Code. For 1999 and 1998, PERS members contributed 8.5% of their gross salaries. The Commission contributed an amount equal to 13.55 % of participants' gross salaries. The Commission has paid all contributions required through December 31, 1999.

5. RISK MANAGEMENT

The Commission is covered under the Sandusky County's insurance.



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON
INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Regional Planning Commission
Sandusky County
100 North Park Avenue
Fremont, Ohio 43420-2464

To the Board of Trustees:

We have audited the financial statements of the Sandusky County Regional Planning Commission (the Commission) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated March 30, 2000. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Commission's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Commission in a separate letter dated March 30, 2000.

This report is intended for the information and use of management and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

March 30, 2000



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SANDUSKY COUNTY REGIONAL PLANNING COMMISSION

SANDUSKY 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
APRIL 20, 2000**