



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**PORTAGE REGIONAL PLANNING COMMISSION
PORTAGE COUNTY**

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Voinovich Government Center
242 Federal Plaza West
Suite 302
Youngstown, Ohio 44503
Telephone 330-797-9900
800-443-9271
Facsimile 330-797-9949
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Portage Regional Planning Commission
Portage County
128 North Prospect Street
Ravenna, Ohio 44266

To the Board of Commissioners:

We have audited the accompanying financial statements of the Portage Regional Planning Commission, Portage County, (the Commission) as of and for the years ended December 31, 2001 and 2000. 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 audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2001 and 2000, 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 July 10, 2002, 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of the management, the Board of Commissioners 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.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large, looping initial "J" and a cursive "Petro".

Jim Petro
Auditor of State

July 10, 2002

**PORTAGE REGIONAL PLANNING COMMISSION
PORTAGE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>General Fund</u>
Cash Receipts:	
Membership Dues	\$120,372
Grants	83,427
Contractual Services	27,013
Rental Income	14,208
Sudivisions Fees	47,425
Other Receipts	<u>6,163</u>
Total Cash Receipts	<u>298,608</u>
Cash Disbursements:	
Salaries - Employees	208,695
Fringe and Health Benefits	25,016
Supplies	5,655
Equipment	1,202
Contracts - Repair	1,058
Contracts - Services	13,199
Travel	5,109
Public Employee's Retirement	28,278
Worker's Compensation	5,442
Telephone and Utilities	8,515
Copier, Photocopying and Printing	6,029
Debt Payment (Loan thru County)	15,301
Other	<u>6,243</u>
Total Disbursements	<u>329,742</u>
Total Receipts Over/(Under) Disbursements	(31,134)
Fund Cash Balances, January 1	<u>38,222</u>
Fund Cash Balances, December 31	<u>\$7,088</u>
Reserve for Encumbrances, December 31	<u><u>\$2,494</u></u>

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

**PORTAGE REGIONAL PLANNING COMMISSION
PORTAGE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2000**

	General Fund
Cash Receipts:	
Membership Dues	\$119,779
Grants	98,162
Contractual Services	31,204
Rental Income	13,661
Sudivisions Fees	59,189
Other Receipts	1,005
Total Cash Receipts	323,000
Cash Disbursements:	
Salaries	181,401
Fringe and Health Benefits	26,170
Supplies	6,420
Equipment	4,966
Contracts - Repair	825
Contracts - Services	23,816
Travel	3,397
Public Employee's Retirement	19,809
Worker's Compensation	5,858
Telephone and Utilities	7,744
Copier, Photocopying and Printing	6,287
Debt Payment (Loan thru County)	15,257
Other	7,871
Total Disbursements	309,821
Total Receipts Over/(Under) Disbursements	13,179
Fund Cash Balances, January 1	25,043
Fund Cash Balances, December 31	\$38,222
Reserve for Encumbrances, December 31	\$2,830

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

**PORTAGE COUNTY REGIONAL PLANNING COMMISSION
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2001 – 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Portage Regional Planning Commission, Portage County, (the Commission) became a Countywide Public Planning Organization on February 13, 1984 and evolved from the Portage Planning commission. It 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 and operates under Section 713.21, Ohio Revised Code for Regional Planning Commissions. The Commission is comprised of 29 voting members and 6 ex-officio members who are charged with the responsibilities of comprehensive planning and implementation programs for Portage County and its communities. The Commission employs professional staff to provide them with assistance and advice in carrying out their responsibilities and also consults with other professionals such as the County Engineer, County Sanitary Engineer, Health Department and the Soil and Water Conservation District staff.

The Commission also serves in an advisory capacity to community decision makers who rely on the data, analysis and planning recommendation which are provided. This helps them make the best decisions possible on issues which can forever alter the character and quality of life within the community.

The Planning Commission also serves as a forum for discussion and sharing of ideas and information among communities about individual community issues, countywide issues that affect many communities and regional issues which cross over political boundaries into other Counties. When it is critical that the needs and concerns of Portage County be heard at the Regional, State or Federal level, the Commission's unified position and voice carries considerable weight in other actions.

The Commission is a Jointly Governed Organization of Portage County, with the Portage County Auditor being the fiscal agent. The Commission is not part of the Portage County Reporting entity and is excluded from Portage County's financial statements. The Commission is not fiscally dependent on the county. The county is not financially accountable for the Commission beyond the duties stated above.

The Commission formulates and reviews plans affecting long and short term social, economic, and governmental development within the region. The participating subdivisions are:

Atwater Township	Aurora City	Brady Lake Village
Brimfield Township	Deerfield Township	Edinburg Township
Franklin Township	Freedom Township	Garrettsville Village
Hiram Township	Hiram Village	Kent City
Mantua Township	Mantua Village	Nelson Township
Palmyra Township	Paris Township	Randolph Township
Rootstown Township	Ravenna Township	Shalersville Township
Suffield Township	Portage County Commissioners	

**PORTAGE COUNTY REGIONAL PLANNING COMMISSION
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2001 – 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 Portage County Treasurer is the custodian of the Commission's 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.

E. Budgetary Process

The Commission budgets the General Fund annually.

1. Appropriations

The Board annually approves appropriations and subsequent amendments. Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object 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.

**PORTAGE COUNTY REGIONAL PLANNING COMMISSION
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2001 – 2000
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 20EE and 20BB 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. Accumulated Leave

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

2. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2001 and 2000 follows:

2001 Budgeted vs. Actual Receipts			
Fund	Budgeted Receipts	Actual Receipts	Variance
General	\$328,755	\$298,608	(\$30,147)
Total	\$328,755	\$298,608	(\$30,147)

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund	Appropriation Authority	Budgetary Expenditures	Variance
General	\$364,147	\$332,236	\$31,911
Total	\$364,147	\$332,236	\$31,911

2000 Budgeted vs. Actual Receipts			
Fund	Budgeted Receipts	Actual Receipts	Variance
General	\$319,723	\$323,000	\$3,277
Total	\$319,723	\$323,000	\$3,277

2000 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund	Appropriation Authority	Budgetary Expenditures	Variance
General	\$334,068	\$312,651	\$21,417
Total	\$334,068	\$312,651	\$21,417

**PORTAGE COUNTY REGIONAL PLANNING COMMISSION
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2001 – 2000
(Continued)**

3. DEBT OBLIGATIONS

Total debt outstanding at December 31, 2001 was as follows:

General Obligation Note	\$303,769	4.75%
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On December 18, 1998, the Commission purchased property at 122-128 North Prospect Street, Ravenna, Ohio, 44266. It was acquired through the Portage County Commissioners with a loan from the United State Department of Agriculture. This loan, in a total amount of \$326,000 is to be repaid at 4.75% interest over 25 years. Payments are due December 1 of each year. The loan is collateralized by the taxing authority of the Portage County Commissioners.

Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31:	General Obligation Notes
2002	\$22,554
2003	22,554
2004	22,554
2005	22,554
2006	22,554
2007 -- 2011	112,772
2012 -- 2016	112,772
2017 -- 2021	112,772
2022 -- 2023	45,109
Total	\$496,195

4. RETIREMENT SYSTEMS

The Commission's employees belong 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.

Contribution rates are also prescribed by the Ohio Revised Code. For 2001 and 2000, PERS members contributed 8.5% of their gross salaries. The Commission contributed an amount equal to 13.55 % of participants' gross salaries for 2001 and from January 1, 2000 through June 30, 2000. PERS temporarily reduced employer contributions to 8.13% effective July 1, 2000. The Commission has paid all contributions required through December 31, 2001.

5. RISK MANAGEMENT

Risk Pool Membership

The Commission is a member of The County Risk Sharing Authority which is a property and liability self insurance pool that was established by the County Commissioners Association of Ohio in 1987. The program is governed by a nine member Board of Trustees, all of whom must be commissioners from member counties. The Pool covers the following risks:

**PORTAGE COUNTY REGIONAL PLANNING COMMISSION
PORTAGE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2001 – 2000
(Continued)**

5. RISK MANAGEMENT (Continued)

- General liability and casualty;
- Public official's liability; and
- Vehicles

The Commission also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

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Voinovich Government Center
242 Federal Plaza West
Suite 302
Youngstown, Ohio 44503
Telephone 330-797-9900
800-443-9271
Facsimile 330-797-9949
www.auditor.state.oh.us

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

Portage Regional Planning Commission
Portage County
128 North Prospect Street
Ravenna, Ohio 44266

To the Board of Commissioners:

We have audited the accompanying financial statements of the Portage Regional Planning Commission, Portage County, Ohio (the Commission) as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated July 10, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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 audit 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. We also noted another matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to the management of the Portage Regional Planning Commission in a separate letter dated July 10, 2002.

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large, sweeping initial "J" and a cursive "Petro".

Jim Petro
Auditor of State

July 10, 2002



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

PORTAGE REGIONAL PLANNING COMMISSION

PORTAGE 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
AUGUST 27, 2002**