

**MIAMI VALLEY REGIONAL
PLANNING COMMISSION**

General Purpose Financial Statements

June 30, 2003

with

Independent Auditors' Report



**Auditor of State
Betty Montgomery**

Board of Directors
Miami Valley Regional Planning Commission
40 West Fourth Street, Suite 400
Dayton, Ohio 45402

We have reviewed the Independent Auditor's Report of the Miami Valley Regional Planning Commission, Montgomery County, prepared by Clark, Schaefer, Hackett & Co., for the audit period July 1, 2002 through June 30, 2003. 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 Miami Valley Regional Planning Commission is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

January 22, 2004

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MIAMI VALLEY REGIONAL PLANNING COMMISSION

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For the Fiscal Year Ended June 30, 2003

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Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Independent Auditors' Report

To the Members and Board of Directors
Miami Valley Regional Planning Commission

We have audited the accompanying general purpose financial statements of Miami Valley Regional Planning Commission, as of and for the year ended June 30, 2003, as listed in the table of contents. These general purpose financial statements are the responsibility of Miami Valley Regional Planning Commission's management. Our responsibility is to express an opinion on the general purpose 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.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Miami Valley Regional Planning Commission, as of June 30, 2003, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 18, 2003 on our consideration of the Miami Valley Regional Planning 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.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the Miami Valley Regional Planning Commission, taken as a whole. The accompanying schedules included in Exhibits B, C, D, E, and F are presented for purposes of additional analysis only. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
September 18, 2003

GENERAL PURPOSE FINANCIAL STATEMENTS

Miami Valley Regional Planning Commission

Combined Balance Sheet - All Governmental
Fund Types and Account Groups

As of June 30, 2003, with Comparative Totals for 2002

	Governmental Fund Types		Account Groups		Totals (Memorandum Only)	
	General Fund	Special Revenue Fund	General Fixed Assets	General Long Term Obligations	2003	2002
ASSETS and OTHER DEBITS						
Cash	\$ 1,642,814	\$ 86,918	\$ -	\$ -	\$ 1,729,732	\$ 1,942,411
Accounts Receivable	35,309	-	-	-	35,309	2,919
Grants Receivable	61,337	510,957	-	-	572,294	540,797
Due From Special Revenue Fund	510,957	-	-	-	510,957	517,611
Prepaid Expenses	8,297	-	-	-	8,297	7,529
Amount to be Provided	-	-	-	256,304	256,304	283,132
Fixed Assets	-	-	589,154	-	589,154	665,571
Total Assets and Other Debits	<u>\$ 2,258,714</u>	<u>\$ 597,875</u>	<u>\$ 589,154</u>	<u>\$ 256,304</u>	<u>\$ 3,702,047</u>	<u>\$ 3,959,970</u>
LIABILITIES						
Accounts Payable	\$ 219,456	\$ -	\$ -	\$ -	\$ 219,456	\$ 319,326
Accrued Personnel Costs	137,227	-	-	256,304	393,531	417,789
Due to General Fund	-	510,957	-	-	510,957	517,611
Deferred Revenues	259,125	86,918	-	-	346,043	314,787
Total Liabilities	<u>615,808</u>	<u>597,875</u>	<u>-</u>	<u>256,304</u>	<u>1,469,987</u>	<u>1,569,513</u>
EQUITY and OTHER CREDITS						
Investment in General Fixed Assets	-	-	589,154	-	589,154	665,571
Designated For:						
Future Year's Operation	220,534	-	-	-	220,534	213,850
Reserved For:						
Carryover Grant Matching	18,123	-	-	-	18,123	25,557
Unreserved/Undesignated	1,404,249	-	-	-	1,404,249	1,485,479
Total Fund Balance	<u>1,642,906</u>	<u>-</u>	<u>589,154</u>	<u>-</u>	<u>2,232,060</u>	<u>2,390,457</u>
Total Liabilities, Equity and Other Credits	<u>\$ 2,258,714</u>	<u>\$ 597,875</u>	<u>\$ 589,154</u>	<u>\$ 256,304</u>	<u>\$ 3,702,047</u>	<u>\$ 3,959,970</u>

See Accompanying Notes

Exhibit A-1

Miami Valley Regional Planning Commission

**Combined Statement of Revenues, Expenditures and
Changes in Fund Balances - All Governmental Fund Types**

Year Ended June 30, 2003, with Comparative Totals for 2002

	<u>Governmental Fund Types</u>		<u>Totals</u>	
	General	Special	<u>(Memorandum Only)</u>	
	<u>Fund</u>	<u>Revenue</u>	<u>2003</u>	<u>2002</u>
Revenues:				
Grantor Agency	\$ 167,338	\$ 2,170,596	\$ 2,337,934	\$ 3,020,995
Other	132,264	124,323	256,587	131,869
Membership Dues and Assessments	441,067	-	441,067	427,700
Total Revenues	<u>740,669</u>	<u>2,294,919</u>	<u>3,035,588</u>	<u>3,580,564</u>
Expenditures:				
Personnel	1,354,200	936,104	2,290,304	1,996,298
Contractual	149,695	470,889	620,584	1,515,079
Other	329,322	410,488	739,810	538,360
Indirect Costs	170,098	635,802	805,900	705,890
Capital Outlays	28,539	-	28,539	48,524
Total Expenditures	<u>2,031,854</u>	<u>2,453,283</u>	<u>4,485,137</u>	<u>4,804,151</u>
Excess of Expenditures Over Revenues	<u>(1,291,185)</u>	<u>(158,364)</u>	<u>(1,449,549)</u>	<u>(1,223,587)</u>
Other Financing Sources (Uses):				
Operating Transfers-In	-	158,364	158,364	164,236
Operating Transfers-Out	(158,364)	-	(158,364)	(164,236)
Cost Allocation Plan Recoveries	1,367,569	-	1,367,569	1,198,873
Total Other Financing Sources	<u>1,209,205</u>	<u>158,364</u>	<u>1,367,569</u>	<u>1,198,873</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	(81,980)	-	(81,980)	(24,714)
Fund Balance, July 1	<u>1,724,886</u>	-	<u>1,724,886</u>	<u>1,749,600</u>
Fund Balance, June 30	<u>\$ 1,642,906</u>	<u>\$ -</u>	<u>\$ 1,642,906</u>	<u>\$ 1,724,886</u>

See Accompanying Notes

Miami Valley Regional Planning Commission

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - All Governmental Fund Types**

Year Ended June 30, 2003

	General Fund			Special Revenue Fund		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Grantor Agency	\$ 67,908	\$ 167,338	\$ 99,430	\$ 4,169,686	\$ 2,170,596	\$ (1,999,090)
Other	62,280	132,264	69,984	122,515	124,323	1,808
Membership Dues and Assessments	425,983	441,067	15,084	-	-	-
Total Revenues	556,171	740,669	184,498	4,292,201	2,294,919	(1,997,282)
Expenditures:						
Personnel	1,223,950	1,354,200	(130,250)	1,040,537	936,104	104,433
Contractual	76,400	149,695	(73,295)	2,319,277	470,889	1,848,388
Other	332,890	329,322	3,568	466,153	410,488	55,665
Indirect Costs	144,906	170,098	(25,192)	645,133	635,802	9,331
Capital Outlays	145,000	28,539	116,461	-	-	-
Total Expenditures	1,923,146	2,031,854	(108,708)	4,471,100	2,453,283	2,017,817
Excess of Expenditures Over Revenues	(1,366,975)	(1,291,185)	75,790	(178,899)	(158,364)	20,535
Other Financing Sources (Uses):						
Operating Transfers-In	-	-	-	178,899	158,364	(20,535)
Operating Transfers-Out	(178,899)	(158,364)	20,535	-	-	-
Cost Allocation Plan Recoveries	1,336,229	1,367,569	31,340	-	-	-
Total Other Financing Sources	1,157,330	1,209,205	51,875	178,899	158,364	(20,535)
Excess of Revenues and Other Sources Over Expenditures and Other Uses	(209,645)	(81,980)	127,665	-	-	-
Fund Balance, July 1, 2002	1,724,886	1,724,886	-	-	-	-
Fund Balance, June 30, 2003	\$ 1,515,241	\$ 1,642,906	\$ 127,665	\$ -	\$ -	\$ -

See Accompanying Notes

Exhibit A-3

**NOTES TO THE
GENERAL PURPOSE FINANCIAL STATEMENTS**

Miami Valley Regional Planning Commission

Notes to the General Purpose Financial Statements
June 30, 2003

NOTE 1 ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

The Miami Valley Regional Planning Commission (MVRPC) was created in 1964 by authority granted under the Ohio Revised Code. MVRPC is a regional planning agency composed of representatives from 57 political subdivisions and 19 non-governmental entities in Montgomery, Greene, Miami, Darke, and Preble Counties in Ohio. MVRPC monitors and performs planning activities affecting present and future transportation, environmental, social, economic, physical and governmental characteristics of the region.

By an agreement between MVRPC and the State of Ohio, the Transportation Coordinating Committee (TCC) of the Montgomery-Greene County Transportation and Development Planning Program was merged with MVRPC on July 1, 1982. By this same agreement, MVRPC was designated by the State as a Metropolitan Planning Organization, with responsibility for implementing a coordinated, continuing, comprehensive transportation planning process for Montgomery and Greene Counties. This agreement was modified on September 23, 1992 to include Miami County.

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

A summary of the significant accounting policies consistently applied in the preparation of the accompanying general purpose financial statements follows:

Basis of Accounting

MVRPC uses the following fund types and account groups:

Governmental Funds:

General Fund - accounts for all revenues and expenditures except for those required to be accounted for in other funds.

Special Revenue Fund - accounts for grant and contract revenues that are legally restricted to expenditures for specified purposes.

Account Groups:

General Fixed Assets Account Group - accounts for general fixed assets of MVRPC. Capital assets are treated as expenditures in both the general and special revenue funds and are accounted for at cost in the General Fixed Asset account group. No depreciation is recorded for financial reporting purposes. This Account Group is not a "fund" in the sense that it does not measure the results of operations, but rather serves as a custodial account for the fixed assets of MVRPC.

General Long Term Obligations Group - accounts for all unmatured long term liabilities of MVRPC. This group consists solely of long term liabilities for compensated absences

The governmental funds are accounted for on the modified accrual basis of accounting and "flow of current financial resources" measurement focus. Under the modified accrual basis, revenues for these funds are recognized when they become both measurable and available to finance operations. In applying this concept, primary revenue sources accrued at year end include membership fees and intergovernmental revenues. Under the modified accrual basis, expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable.

Basis of Reporting

The pyramid approach to governmental financial reporting is used. Under MVRPC's adaptation of this approach, combined overview financial statements are used to present data separately for the general fund, the special revenue fund, the general fixed asset account group and the general long term obligations account group. Combining financial statements are presented for the grants included in the special revenue fund. Supplemental information is also reported to provide grantor agencies with information necessary for them to determine compliance with the financial portions of the grant agreements.

Miami Valley Regional Planning Commission

Notes to the General Purpose Financial Statements
June 30, 2003

NOTE 1 ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenues

General fund revenues are determined by contractual agreements with member political subdivisions represented by MVRPC. Member jurisdictions of MVRPC pay an annual membership fee based on the latest official census or federal revenue sharing population estimates. For 2003 the assessment was as follows:

<u>Member Type</u>	<u>Regional Planning</u>	<u>Transportation</u>
Counties		
- Total population	\$ 0.06/capita	n/a
- Non-member unincorporated areas	0.06/capita	\$ 0.21/capita
Municipalities and Townships	\$ 0.25/capita	\$ 0.21/capita
Quasi and Non-governmental bodies	\$ 500/annual	n/a

The total revenue generated from member fees and assessments for MVRPC and for the Transportation Committee was \$270,331 and \$170,736, respectively.

Special Revenue Fund

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

Carry-over Grants and Contracts

Several grants continued after June 30, 2003. The amounts available for completing grant objectives for these grant programs are summarized below by funding type.

<u>Type</u>	<u>Amount</u>
Federal Grants	\$ 3,008,237
Other Grants and Contracts	276,863

Fringe Benefits

Accumulated unpaid vacation pay is accrued in the general fund and reported as accrued employee compensation. Accumulated unpaid sick leave is accrued and recorded in the general long term obligations account group. Sick leave days may be converted to pay upon retirement at the rate of 4 to 1, up to a maximum of thirty (30) days. As of June 30, 2003 there were two employees eligible to retire. The current cost of their sick leave conversion to retirement pay has been accrued and reported in the general fund.

As discussed in note 3, fringe benefit expenditures are recovered by applying a provisional rate to all programs.

Indirect Costs

MVRPC uses an indirect cost rate to recover administrative expenditures. The 2003 indirect costs were billed at a provisional, of 66% of direct labor dollars, including fringe benefits.

Miami Valley Regional Planning Commission

Notes to the General Purpose Financial Statements
June 30, 2003

NOTE 1 ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Total Columns on Combined Overview Statements

The "Memorandum Only" captions on the combined level total columns indicate that the information is presented only as an aid in financial analysis and do not present financial position or results of operations in conformity with generally accepted accounting principles. The information is not comparable to a consolidation.

Designated Fund Balance

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

Reserved Fund Balance

Fund Balance is reserved for Carryover Grant Matching. The amount designated for Carryover Grant Matching represents the local contribution that is required to be made for grants that extend beyond the end of the fiscal year.

Budgets

Budgets for the general and special revenue fund are prepared annually by the staff and approved by the Commission. Budgets are reviewed on an ongoing basis and amendments are proposed as necessary. The amendments are approved by the Board of Directors.

Estimates

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

NOTE 2 LEASE COMMITMENTS

MVRPC entered into a noncancellable operating lease agreement for office space effective January 1, 2000 through December 31, 2004 and various office equipment leases that run through FY 2007. The future minimum rental commitments on the noncancellable lease as of June 30, 2003 is as follows:

<u>Fiscal Year Ended</u>	<u>Office Space</u>	<u>Equipment</u>
2004	109,366	18,455
2005	55,290	18,455
2006	0	17,570
2007	0	11,133

Total rental expense for the year ended June 30, 2003, was \$133,807.

Miami Valley Regional Planning Commission

Notes to the General Purpose Financial Statements
June 30, 2003

NOTE 3 COST ALLOCATION PLAN

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

Following are summaries of the accounting treatment and rate experience for fringe benefit and indirect cost for 2003

Fringe Benefits

Fringe benefit costs are recorded in the general fund and allocated to the special revenue funds in accordance with the approved cost allocation plan, based upon a provisional rate approved by the oversight grantor agency. The 2003 fringe benefit costs were allocated at a provisional rate of 50.75% of productive direct and indirect labor dollars. The actual fringe benefit cost rate was 48.54%. Per the agreement with ODOT, the provisional rate was adjusted to actual and the adjustment is reflected in the financial statements.

Indirect Costs

Administrative costs are recorded in the general fund as indirect costs and allocated to the special revenue funds in accordance with the approved cost allocation plan, based upon a provisional rate approved by the over-site grantor agency. The 2003 indirect costs were allocated at a provisional rate of 66% of direct labor dollars, including fringe benefits. The actual indirect cost rate was 67.92%. Per the agreement with ODOT, the provisional rate was adjusted to actual and the adjustment is reflected in the financial statements.

NOTE 4 CONTINGENCIES

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

NOTE 5 INTERFUND RECEIVABLES AND PAYABLES

As of June 30, 2003 there was an Interfund Receivable of \$510,957 in the General Fund and an Interfund Payable of \$510,957 in the Special Revenue Fund. The amount represents receivable from grantors at June 30, 2003.

NOTE 6 CASH AND INVESTMENTS

Pooled Cash

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

Miami Valley Regional Planning Commission

Notes to the General Purpose Financial Statements
June 30, 2003

NOTE 7 DEFINED BENEFIT PENSION PLANS

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

Public Employees Retirement System (the "PERS of Ohio")

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

All employees of the Commission, participate in the PERS of Ohio, a cost sharing, multiple employer defined benefit pension plan. The PERS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Public Employees Retirement System of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the PERS of Ohio. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. Plan members are required to contribute 8.5% of their annual covered salary and the Commission's contribution rate for 2003 was 13.55% of covered payroll. The Commission's required contributions for the periods ended June 30, 2003, 2002, and 2001 were \$181,548, \$158,212 and \$133,490, respectively. In 2003, the Commission implemented a Fringe Benefit Pickup plan for the entire 8.5% employee contribution for certain classes of employees. The Commission's contributions under this plan were \$5,827.

NOTE 8 OTHER POST-EMPLOYMENT BENEFITS

In addition to the pension benefits described previously, PERS provides post-retirement health care coverage commonly referred to as OPEB (other post-employment benefits). For this system, the Ohio Revised Code provides the authority for public employers to fund post-retirement health care through their contributions.

The PERS of Ohio provides post employment health care benefits to age and service retirees with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health care coverage for disability recipients is also available. A portion of each employer's contribution to the PERS of Ohio is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund post employment health care through their contributions to the PERS of Ohio. For local government employer units the rate was 13.55% of covered payroll; 5% was the portion that was used to fund health care for the year.

The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to PERS.

Summary of Assumptions:

Actuarial Review: The following assumptions and calculations were based on the System's latest Actuarial Review performed as of December 31, 2001.

Funding Method: An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of the unfunded actuarial accrued liability.

Assets Valuation Method: All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets.

Miami Valley Regional Planning Commission

Notes to the General Purpose Financial Statements
June 30, 2003

NOTE 8 OTHER POST-EMPLOYMENT BENEFITS cont'd

Investment Return: The investment assumption rate for 2001 was 8%.

Active Employee Total Payroll: An annual increase of 4.00% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.00% base increase, were assumed to range from 0.50% to 6.3%.

Health Care: Health care costs were assumed to increase 4.00% annually.

The OPEB's are advance-funded on an actuarially determined basis. The number of active contributing participants was 402,041. The portion of MVRPC's contributions that were used to fund post employment benefits was \$66,568. The actuarial value of the Retirement System's net assets available for OPEB at December 31, 2001 was \$11.6 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$16.4 billion and \$4.8 billion, respectively.

In December 2001, the OPERS Board adopted the Health Care "Choices" Plan in its continuing effort to respond to the rise in the cost of Health Care. The Choices Plan will be offered to all persons newly hired under OPERS after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering more broad range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

NOTE 9 GENERAL FIXED ASSETS

	Balances at <u>7/1/02</u>	<u>Additions</u>	<u>Deletions</u>	Balances at <u>6/30/03</u>
Furniture and Fixtures	\$ 121,828	-	-	\$ 121,828
Equipment	428,576	28,539	104,956	352,159
Leasehold Improvements	115,167	-	-	115,167
Total	<u>\$ 665,571</u>	<u>28,539</u>	<u>104,956</u>	<u>\$ 589,154</u>

NOTE 10 LONG TERM OBLIGATIONS

MVRPC records the potential liability for the conversion of accrued sick leave that would be paid out to eligible retirees within the next 12 months of year end. The following is a summary of long-term obligations for the year ended June 30, 2003:

Amount accrued at June 30, 2002	\$ 283,132
FY 2003 amount	<u>(26,828)</u>
Amount accrued at June 30, 2003	<u>\$ 256,304</u>

The above long-term obligations represent liabilities of the general long-term obligations account group.

Miami Valley Regional Planning Commission

Notes to the General Purpose Financial Statements
June 30, 2003

NOTE 11 PROPERTY AND INSURANCE

The Commission is exposed to various risk of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2003, the Commission contracted with The Hartford Insurance Company and Cincinnati Intermediaries for the following insurance coverage:

Business personal property	\$ 615,000
Computer equipment	200,000
Comprehensive general liability	1,000,000
Valuable papers	250,000
Business auto coverage	1,000,000
Public officials & employee liability	1,000,000

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

ADDITIONAL INFORMATION

COMBINING FINANCIAL STATEMENTS

Miami Valley Regional Planning Commission

Statement of Revenues, Expenditures and Changes in Fund Balance
Special Revenue Fund
Federal Grants

Year Ended June 30, 2003

	Federal Highway Administration (FHWA)/ Ohio Department of Transportation (ODOT)				
	Consolidated Transportation Planning		Long Range Plan Visioning	Dayton CBD 1-way to 2-way Street Study	ITS Freeway Mgmt System
	<u>FY 2002</u>	<u>FY 2003</u>			
Revenues:					
Grantor Agency	\$ 127,131	\$ 867,433	\$ 21,087	\$ 49,041	\$ 99,801
Other	15,894	108,429	-	-	-
Total Revenues	<u>143,025</u>	<u>975,862</u>	<u>21,087</u>	<u>49,041</u>	<u>99,801</u>
Expenditures:					
Personnel	91,440	583,035	-	-	-
Contractual	-	70,220	20,900	49,041	99,794
Other	5,377	35,039	187	-	7
Indirect Costs	62,106	395,997	-	-	-
Total Expenditures	<u>158,923</u>	<u>1,084,291</u>	<u>21,087</u>	<u>49,041</u>	<u>99,801</u>
Excess of Expenditures Over Revenues	<u>(15,898)</u>	<u>(108,429)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):					
Operating Transfers-In	15,898	108,429	-	-	-
Fund Balance - July 1, 2002	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - June 30, 2003	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Miami Valley Regional Planning Commission

Statement of Revenues, Expenditures and Changes in Fund Balance
 Special Revenue Fund
 Federal Grants

Year Ended June 30, 2003

	Federal Highway Administration (FHWA)/ Ohio Department of Transportation (ODOT)				
	Regional OZONE Action Program			170/75 Interchange PR Outreach	Greene Co. US 35 Corridor MIS
	CY 2002	CY 2003	Rideshare		
Revenues:					
Grantor Agency	\$ 148,375	\$ 89,926	\$ 270,014	\$ 87,850	\$ 54,386
Other	-	-	-	-	-
Total Revenues	<u>148,375</u>	<u>89,926</u>	<u>270,014</u>	<u>87,850</u>	<u>54,386</u>
Expenditures:					
Personnel	35,745	25,146	69,454	-	9,315
Contractual	4,555	690	7,075	-	38,713
Other	83,797	47,010	146,311	87,850	31
Indirect Costs	<u>24,278</u>	<u>17,080</u>	<u>47,174</u>	<u>-</u>	<u>6,327</u>
Total Expenditures	<u>148,375</u>	<u>89,926</u>	<u>270,014</u>	<u>87,850</u>	<u>54,386</u>
Excess of Expenditures Over Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):					
Operating Transfers-In	-	-	-	-	-
Fund Balance - July 1, 2002	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - June 30, 2003	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Miami Valley Regional Planning Commission

Statement of Revenues, Expenditures and Changes in Fund Balance
 Special Revenue Fund
 Federal Grants

Year Ended June 30, 2003

	Federal Highway Administration (FHWA)/ Ohio Department of Transportation (ODOT)				Federal Transit Administration
	North South Transportation Initiative	Montg. Co US 35 Corridor MIS	Household Survey	175 @ Central W. Carrollton	MIS for Dayton Light Rail OH-03-0173
Revenues:					
Grantor Agency	\$ 35,562	\$ 138,561	\$ 14,203	\$ 84,162	\$ 21,143
Other	-	-	-	-	-
Total Revenues	<u>35,562</u>	<u>138,561</u>	<u>14,203</u>	<u>84,162</u>	<u>21,143</u>
Expenditures:					
Personnel	20,845	16,950	8,422	9,229	12,591
Contractual	-	110,068	-	68,633	-
Other	559	31	397	32	-
Indirect Costs	<u>14,158</u>	<u>11,512</u>	<u>5,720</u>	<u>6,268</u>	<u>8,552</u>
Total Expenditures	<u>35,562</u>	<u>138,561</u>	<u>14,539</u>	<u>84,162</u>	<u>21,143</u>
Excess of Expenditures Over Revenues	<u>-</u>	<u>-</u>	<u>(336)</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):					
Operating Transfers-In	-	-	336	-	-
Fund Balance - July 1, 2002	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - June 30, 2003	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Miami Valley Regional Planning Commission

Statement of Revenues, Expenditures and Changes in Fund Balance
 Special Revenue Fund
 Federal Grants

Year Ended June 30, 2003

	U.S. Environmental Protection Agency		Total
	Ohio Environmental Protection Agency	EMPACT	Federal
	Water Quality Mgmt FY2003 604(b)	R 827091-01-0	Grants
Revenues:			
Grantor Agency	\$ 50,539	\$ 11,382	\$ 2,170,596
Other	-	-	124,323
Total Revenues	<u>50,539</u>	<u>11,382</u>	<u>2,294,919</u>
Expenditures:			
Personnel	48,864	5,068	936,104
Contractual	-	1,200	470,889
Other	2,180	1,680	410,488
Indirect Costs	<u>33,188</u>	<u>3,442</u>	<u>635,802</u>
Total Expenditures	<u>84,232</u>	<u>11,390</u>	<u>2,453,283</u>
Excess of Expenditures Over Revenues	<u>(33,693)</u>	<u>(8)</u>	<u>(158,364)</u>
Other Financing Sources (Uses):			
Operating Transfers-In	33,693	8	158,364
Fund Balance - July 1, 2002	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - June 30, 2003	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GENERAL FIXED ASSETS ACCOUNT GROUP STATEMENTS

Miami Valley Regional Planning Commission

Statement of General Fixed Assets

June 30, 2003

General Fixed Assets	
Furniture and Fixtures	\$ 121,828
Equipment	\$ 352,159
Leasehold Improvements	115,167
Total General Fixed Assets	<u>\$ 589,154</u>
Investment in General Fixed Assets	
General Fund	\$ 549,345
Special Revenue Funds	39,809
Total Investment in General Fixed Assets	<u>\$ 589,154</u>

Miami Valley Regional Planning Commission
Statement of Changes in General Fixed Assets
Year Ended June 30, 2003

	Balances at <u>7/1/02</u>	<u>Additions</u>	<u>Deletions</u>	Balances at <u>6/30/03</u>
Furniture and Fixtures	\$ 121,828	-	-	\$ 121,828
Equipment	428,576	28,539	104,956	352,159
Leasehold Improvements	115,167	-	-	115,167
Total	<u>\$ 665,571</u>	<u>28,539</u>	<u>104,956</u>	<u>\$ 589,154</u>

MISCELLANEOUS INFORMATION

Miami Valley Regional Planning Commission

**Schedule of Fringe Benefit Cost Pool Charges, Rate Base, Final
Rate Computation and Current Year's Recovery Comparison**

Year Ended June 30, 2003

Fringe Benefit Cost Pool Charges:

Public Employees Retirement System Contributions	\$ 186,227
Health Insurance Premiums	149,589
Life Insurance Premiums	1,474
Workers' Compensation Premiums	9,897
Unemployment Insurance	283
F.I.C.A. (Medicare) Expenses	15,388
Sick Leave Pay	34,469
Holiday Pay	55,651
Vacation, Personal and Other Leave	98,321
Retirement Pay	4,943
Other Fringe Benefit Costs	5,390
Total Fringe Benefit Cost Pool Charges	<u>\$ 561,632</u>

Fringe Benefit Cost Rate Base:

Salaries	<u>\$ 1,157,130</u>
----------	---------------------

Final Fringe Benefit Cost Rate Computation:

Total Fringe Benefit Cost Pool Charges	\$ 561,632
Divided By: Total Fringe Benefit Cost Rate Base	<u>1,157,130</u>
Equals - Final Fringe Benefit Cost Rate	<u>48.54%</u>

Current Year's Cost Recovery Comparison:

Fringe Benefit Costs Recovered	\$ 561,671
Total Fringe Benefit Cost Pool Charges	561,632
Over (Under) Recovered Costs	<u>\$ 39</u>

Miami Valley Regional Planning Commission

**Schedule of Indirect Cost Pool Charges, Rate Base, Final Rate
Computation and Current Year's Recovery Comparison**

Year Ended June 30, 2003

Indirect Cost Pool Charges:

Salaries	\$	328,698
Allocated Fringe Benefits (48.54%)		159,550
Contractual Services		57,974
Communication and Supplies		44,221
Rents and Rentals		127,204
Travel		3,749
Maintenance and Repairs		2,803
Other Costs		34,094
Allowance for Depreciation		47,629
Total Indirect Costs	\$	<u>805,922</u>

Indirect Cost Rate Base:

Direct Salaries	\$	798,802
Allocated Fringe Benefits 48.54%		<u>387,739</u>
Total Indirect Cost Rate Base	\$	<u><u>1,186,541</u></u>

Final Indirect Cost Rate Computation:

Total Indirect Cost Pool Charges	\$	<u>805,922</u>
Divided By: Total Indirect Cost Rate Base	\$	<u>1,186,541</u>
Equals - Final Indirect Cost Rate		<u><u>67.92%</u></u>

Current Year's Cost Recovery Comparison:

Indirect Cost Recovered	\$	805,898
Total Indirect Costs		<u>805,922</u>
Over (Under) Recovered Costs	\$	<u>(24)</u>

Miami Valley Regional Planning Commission

Schedule of Revenues and Expenditures by Program

Year Ended June 30, 2003

	Transportation Programs	Environmental Programs	Regional & Community Planning Programs	Total
Revenues:				
Federal Grants	\$ 2,108,675	\$ 61,921	\$ -	\$ 2,170,596
Other Grants & Contracts	31,423	15,050	82,865	129,338
Other Matching	\$ 124,323	-	-	124,323
Misc Sales & Receipts	-	-	3,625	3,625
Total Revenues	2,264,421	76,971	86,490	2,427,882
Other Financing Sources (Uses):				
Operating Transfers-In	124,663	174,944	138,420	438,027
Total Other Financing Sources	124,663	174,944	138,420	438,027
Total Revenues & Other Sources	\$ 2,389,084	\$ 251,915	\$ 224,910	\$ 2,865,909
Expenditures:				
Personnel	\$ 882,172	\$ 145,560	\$ 129,327	\$ 1,157,059
Contractual	487,355	1,200	99	488,654
Other	420,385	6,291	7,644	434,320
Indirect Costs	599,172	98,864	87,840	785,876
Total Expenditures	\$ 2,389,084	\$ 251,915	\$ 224,910	\$ 2,865,909

Miami Valley Regional Planning Commission

**Schedule of Revenues and Expenditures - Federal Transit Administration and
Federal Highway Administration/Ohio Department of Transportation -
Fiscal Year 2003 Transportation Consolidated Planning Grant Work Elements**

601	602	605	610	625	695	697	Total
Short Range	Transportation Improvement Program	Monitoring and Surveillance	Review & Appraisal	Service	Transportation Program Administration	Transportation Annual Report	
\$ 51,441.82	\$ 110,651.77	\$ 267,219.83	\$ 206,538.39	\$ 128,342.99	\$ 87,324.91	\$ 15,913.15	\$ 867,432.86
6,430.17	13,831.46	33,402.48	25,817.32	16,042.89	10,915.63	1,989.14	108,429.09
57,871.99	124,483.23	300,622.31	232,355.71	144,385.88	98,240.54	17,902.29	975,861.95
6,430.01	13,831.49	33,402.47	25,817.28	16,042.88	10,915.57	1,989.14	108,428.84
\$ 64,302.00	\$ 138,314.72	\$ 334,024.78	\$ 258,172.99	\$ 160,428.76	\$ 109,156.11	\$ 19,891.43	\$ 1,084,290.79
Revenues:							
Federal Transit Administration / Federal Highway Administration CPG Grant							
Ohio Dept. of Transportation							
Match to CPG Grant							
Total Revenues							
Other Financing Sources:							
Operating Transfers-In							
Total Revenues and Other Sources							
\$ 24,758.66	\$ 54,504.88	\$ 132,001.20	\$ 78,271.54	\$ 58,244.30	\$ 42,355.56	\$ 2,374.00	\$ 392,510.14
12,017.86	26,456.67	64,073.38	37,993.00	28,271.78	20,559.39	1,152.34	190,524.42
-	-	-	56,250.09	-	-	13,970.00	70,220.09
2,546.86	2,364.09	4,776.35	6,691.49	15,150.96	3,509.33	-	35,039.08
24,978.62	54,989.08	133,173.85	78,966.87	58,761.72	42,731.83	2,395.09	395,997.06
\$ 64,302.00	\$ 138,314.72	\$ 334,024.78	\$ 258,172.99	\$ 160,428.76	\$ 109,156.11	\$ 19,891.43	\$ 1,084,290.79
Expenditures:							
Salaries							
Fringe Benefits							
Contract Services							
Other							
Indirect Costs							
Total Expenditures							

Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting
Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards

To the Board of Directors
Miami Valley Regional Planning Commission

We have audited the general purpose financial statements of Miami Valley Regional Planning Commission as of and for the year ended June 30, 2003, and have issued our report thereon dated September 18, 2003. 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 Miami Valley Regional Planning 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 Miami Valley Regional Planning 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.

This report is intended solely for the information of the audit committee, management, the Auditor of State of Ohio, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
September 18, 2003

Clark, Schaefer, Hackett & Co.

CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133

To the Board of Directors and Members
Miami Valley Regional Planning Commission

Compliance

We have audited the compliance of Miami Valley Regional Planning Commission with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2003. The Miami Valley Regional Planning Commission's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Miami Valley Regional Planning Commission's management. Our responsibility is to express an opinion on Miami Valley Regional Planning Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Miami Valley Regional Planning Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Miami Valley Regional Planning Commission's compliance with those requirements.

In our opinion, Miami Valley Regional Planning Commission complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2003.

Internal Control Over Compliance

The management of Miami Valley Regional Planning Commission is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Miami Valley Regional Planning Commission's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses.

Schedule of Federal Awards Expenditures

We have audited the general purpose financial statements of Miami Valley Regional Planning Commission, as of and for the year ended June 30, 2003, and have issued our report thereon dated September 18, 2003. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements of Miami Valley Regional Planning Commission. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

This report is intended solely for the information of the audit committee, management, the Auditor of State of Ohio, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
September 18, 2003

**Miami Valley Regional Planning Commission
Schedule of Federal Awards Expenditures
Year Ended June 30, 2003**

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Program or Award Amount	Total Federal Share	Unexpended Program Amount 07/01/2002	Federal Share of Expenditures	MVRPC Matching Expen- ditures	Other Matching Expen- ditures	Other	Unexpended Program Amount 06/30/2003
Environmental Protection Agency										
Consolidated Research	66.500	R 827091-01-0	\$ 561,705	\$ 534,210	\$ 11,382	\$ 11,382	\$ -	\$ -	\$ -	\$ -
Pass-Through, Ohio Environmental Protection Agency										
Water Quality Management	66.454	604(b) FY 2003	84,232	50,539	84,232	50,539	33,693	-	-	-
Total Environmental Protection Agency										
Department of Transportation					\$ 95,614	\$ 61,921	\$ 33,693	\$ -	\$ -	\$ -
Federal Transit Administration										
Section 5309 New Start	20.500	OH-03-0173-00	\$ 992,550	\$ 992,550	\$ 112,547	\$ 21,143	\$ -	\$ -	\$ -	\$ 91,404
Pass-Through, Ohio Department of Transportation										
Highway Planning and Construction	20.205	Consolidated Planning FY 99	\$ 937,128	\$ 749,702	\$ 96,583	\$ -	\$ -	\$ -	\$ -	\$ 96,583
	20.205	Consolidated Planning FY 2002	1,141,078	912,862	158,917	127,131	15,892	15,894	-	-
	20.205	Consolidated Planning FY 2003	1,168,862	935,088	1,168,862	867,433	108,429	108,429	-	84,571
	20.205	Rideshare FY 2001 - FY 2003	690,000	690,000	282,078	270,014	-	-	-	12,064
	20.205	Models Update	380,709	380,709	64,203	14,203	-	-	50,000	-
	20.205	Regional OZONE CY 2002	263,700	263,700	148,379	148,375	-	-	4	-
	20.205	Regional OZONE CY 2003	243,000	243,000	243,000	89,926	-	-	-	153,074
	20.205	ITS Freeway Mgmt System	100,000	100,000	100,000	99,801	-	-	199	-
	20.205	175 @ S. Dixie/Central Ave	500,000	500,000	500,000	84,162	-	-	-	415,838
	20.205	IR 70/75 Interchng PR Campaign	331,015	331,015	320,629	87,850	-	-	-	232,779
	20.205	NSTI - 175 MIS	200,000	200,000	57,266	35,562	-	21,704	-	-
	20.205	Greene Co US35 Corridor MIS	1,000,000	1,000,000	1,000,000	54,386	-	-	-	945,614
	20.205	Montg. Co US35 Corridor MIS	1,000,000	1,000,000	1,000,000	138,561	-	-	-	861,439
	20.205	Dayton CBD 1-way to 2-way St	100,000	100,000	100,000	49,041	-	-	-	50,959
	20.205	Long Range Plan Visioning	75,000	75,000	75,000	21,087	-	-	-	53,913
Total Highway Planning and Construction										
					5,314,917	2,087,532	124,321	124,323	71,907	2,906,834
Total Department of Transportation										
					5,427,464	2,108,675	124,321	124,323	71,907	2,998,238
Total Federal Financial Assistance										
					\$ 5,523,078	\$ 2,170,596	\$ 158,014	\$ 124,323	\$ 71,907	\$ 2,998,238

Miami Valley Regional Planning Commission

Notes to the Schedule of Federal Awards Expenditures

Note 1. Some federal financial assistance programs require MVRPC to match expenditures made with their own funds or funds received from other sources. The matching requirements are at various rates as governed by the specific grant agreement. The Ohio Department of Transportation (ODOT) is the other matching source for the Transportation Planning Program and the Intelligent Transportation Systems grant.

Note 2. The "Other" category consists of grant amounts that were refunded to or canceled by Grantor Agency as listed below:

Department of Transportation – Models Update – Canceled
Department of Transportation – Regional OZONE CY 2002 – Canceled
Department of Transportation – ITS – Freeway Mgmt System - Canceled
Department of Transportation –NSTI – I75 MIS – Canceled

Note 3. The federal assistance funds received from the Department of Transportation through the Ohio Department of Transportation and reported under CFDA number 20.205 titled Transportation Planning was a consolidation of funds the Federal Highway Administration 's Highway Planning and Construction and the Federal Transit Administration's Section 5303 Technical Studies Grant.

Note 4. The Schedule of Federal Awards Expenditures was prepared using the accrual basis method of accounting

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 § .505**

MIAMI VALLEY REGIONAL PLANNING COMMISSION

JUNE 30, 2003

1. SUMMARY OF AUDITORS' RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Were there any reported non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Highway Planning and Construction; CFDA #20.205
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$300,000 Type B: All others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

Findings: None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Findings: None

**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 § .315(b)**

Miami Valley Regional Planning Commission

June 30, 2003

Prior Audit Findings:

None

Miami Valley Regional Planning Commission

Commission Members

<u>Governmental Members</u>	<u>Member</u>	<u>Alternate</u>
Beavercreek	Richard Perales	Juliann Vann
Beavercreek Township	Richard Little	Carol Graff
Bellbrook	Pat Campbell	Robert Middlestetter
Bethel Township	Jerome Hirt, Sr.	Matthew Davis
Brookville	David Seagraves	John Wright
Butler Township	Eleanor Lewis	Joseph Ellis
Carlisle	Drexel Lykins	Brad Townsend
Centerville	Sally Beals	Douglas Cline
Clay Township	Donald Aukerman	Bill Watt
Clayton	Tim Gorman	David Rowlands
College Corner	Joseph Compton	vacant
Concord Township	Sue Campbell	Nevin Fessler
Darke County	Terry Haworth	Robert Downing
Dayton	Richard Zimmer	John Gower
Eaton	Larry Petry	K. Douglas Spittler
Eldorado	Larry Marker	vacant
Englewood	Judy Gerhard	Thomas Franz
Fairborn	Jack Wilson	Michael Cornell
Farmersville	Mary Ann Rondeau	Nathan Roach
Franklin	Gregory Sample	James Lukas
Franklin Township	Elmo Rose	Paul Hillard
Germantown	W. Henry Young	Scott Pickup
Greene County	W. Reed Madden	Robert Schroeder
Greenville	John Burkett	Steve Gruber
Harrison Township	David Woods	George Curry
Huber Heights	Jan Vargo	Jack Hensley
Jamestown	Donald Kolesar	Aaron Kilbarger
Kettering	Donald Patterson, Jr.	Bruce Duke
Miami County	B. Ronald Widener	Daniel Brandewie
Miami Township	Shirley Omietanski	David Coffey
Miamisburg	Robert Faulkner	John Weithofer
Monroe Township	James Flesher	Ronald Thuma
Montgomery County	Charles Curran	Deborah Feldman
Moraine	Robert Rosencrans	Bryon Blake
New Carlisle	Paul Shakro	Robert Bender
New Lebanon	Lou Cooper	Annie Clark
New Madison	Dean Miller	Steve Eadler
Oakwood	Carlo McGinnis	Norbert Klopsch
Perry Township	Bill Fohrman	Gerald Peters
Phillipsburg	Charles Marquis	Ken Henz

Miami Valley Regional Planning Commission

Commission Members

<u>Governmental Members</u>	<u>Member</u>	<u>Alternate</u>
Piqua	Robert DeBrosse	Frank Barhorst
Riverside	Sara Lommatzsch	James Weaver, Jr.
Springboro	John Agenbroad	Christine Thompson
Sugarcreek Township	Marvin Moeller	Nadine Daugherty
Tipp City	Carol McKeever	Vickie Blakely
Trotwood	Donald McLaurin	Frank Myers
Troy	Peter Jenkins	David Anderson
Union	Robert Packard	John Applegate
Union City	Scott Stahl	Joe Martin
Union Township	George Mote	Bill Coate
Vandalia	Jack Shirley	Hal Hunter
Washington Township	Joyce Young	Gary Huff
West Carrollton	Jack Jensen	William Gordon
West Milton	Donald Hamann, Sr.	Marty Gabbard
Xenia	Eric Winston	John Saraga
Xenia Twp	Richard Montgomery	Jon Luttrell
Yellow Springs	Denise Swinger	Tony Arnett
<u>Non-Governmental Members</u>		
Bank One	Bradley Tidwell	Lawrence Clarke
Dayton Area Chamber of Commerce	Bryan Bucklew	Phillip Parker
Dayton Power & Light	Art Meyer	Vacant
Delphi Automotive Systems	Robert Jordan	Vacant
General Motors	Paul Dorsten	Janell Smith
Issue 9 Group	Richard Wright	Vacant
MeadWestvaco	Timothy Nusbaum	Peter Vogel
Miami Conservancy District	Janet Bly	Hans Landefeld
Miller-Valentine Group	Michael Greitzer	Eric Joo
Montg. Co. Transportation Improvement District	Steve Stanley	Kathy Hoyng
Montgomery County Farm Bureau	Sarajane Steinecker	Dale Seim
National City Bank	Tom Studevart	vacant
SBC	Gregory Sample	Toni Perry
Sinclair Community College	Stephan Jonas	Vacant
South Metro Reg Chamber of Commerce	Julia Maxton	Jack Kindler
Time Warner Cable Western Ohio	Richard Hutchison	Vacant
University of Dayton	S. Ted Bucaro	Richard Perales
Vectern Energy Delivery of Ohio	Stephen Bramlage	Jon Luttrell
WPAFB	Michael Belzil	Dennis D'Angelo

Miami Valley Regional Planning Commission

Board of Directors

Chair:	Richard Montgomery	Xenia Township
First Vice-Chair:	B. Ronald Widener	Miami County
Second Vice-Chair:	Jack Jensen	City of West Carrollton
Immediate Past Chair:	Sally D. Beals	City of Centerville
DARKE COUNTY:	Terry Haworth	Darke County
	John Burkett	City of Greenville
GREENE COUNTY:	Pat Campbell	City of Bellbrook
	W. Reed Madden	Greene County
	Eric Winston	City of Xenia
MIAMI COUNTY:	Jerome Hirt, Sr.	Bethel Township
MONTGOMERY COUNTY:	Charles Curran	Montgomery County
	Shirley Omietanski	Miami Township
	Richard Zimmer	City of Dayton
	Donald Patterson	City of Kettering
	Jack Shirley	City of Vandalia
NONGOVERNMENTAL:	Bradley Tidwell	Bank One
	Stephen Bramlage	Vectren Energy Delivery of Ohio
	Stephen Jonas	Sinclair Community College

Miami Valley Regional Planning Commission

Schedule of Insurance, Legal Counsel, and Key Personnel

Blanket Bond and General Insurance:

<u>Description</u>	<u>Surety</u>	<u>Amount</u>	<u>Period</u>
Blanket Bond Covering All Employees	The Ohio Casualty Insurance Company	\$100,000	01/13/03-01/12/04
Business Personal Property	The Hartford Insurance Company	\$615,000	01/13/03-01/12/04
Computer Equipment	The Hartford Insurance Company	\$200,000	01/13/03-01/12/04
Comprehensive General Liability	The Hartford Insurance Company	\$1,000,000	01/13/03-01/12/04
Valuable Papers	The Hartford Insurance Company	\$250,000	01/13/03-01/12/04
Business Auto Coverage	The Hartford Insurance Company	\$1,000,000	01/13/03-01/12/04
Public Officials & Employees Liability	Deerfield Insurance Company	\$1,000,000	02/04/03-02/02/04

Legal Counsel:

Pickrel, Schaeffer & Ebeling
2700 Kettering Tower
Dayton, Ohio 45423

Key Personnel:

P. Michael Robinette	Executive Director
Gretchen B. Brafford	Director, Administrative & Support Services
Gary L. Bellotti	Controller

All of the above can be reached at the following address:

Miami Valley Regional Planning Commission
40 West Fourth Street, Suite 400
Dayton, Ohio 45402



**Auditor of State
Betty Montgomery**

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

MIAMI VALLEY REGIONAL PLANNING COMMISSION

MONTGOMERY COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 5, 2004**