



**MIAMI VALLEY CABLE COUNCIL  
MONTGOMERY COUNTY**

**REGULAR AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2000**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**MIAMI VALLEY CABLE COUNCIL  
MONTGOMERY COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Report of Independent Accountants .....	1
Combined Balance Sheet - Proprietary Fund Type - As of December 31, 2000 .....	3
Combined Statement of Revenues, Expenditures and Changes in Fund Equity Proprietary Fund Type - For the Year Ended December 31, 2000 .....	4
Combined Statement of Cash Flows - Proprietary Fund Type or the Year Ended December 31, 2000 .....	5
Notes to the Financial Statements .....	7
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	15

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## REPORT OF INDEPENDENT ACCOUNTANTS

Miami Valley Cable Council  
Montgomery County  
1195 East Alex Bell Road  
Centerville, Ohio 45459

To the Members of Council:

We have audited the accompanying general-purpose financial statements of the Miami Valley Cable Council, Montgomery County, (the Cable Council) as of and for the year ended December 31, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Cable Council's management. Our responsibility is to express an opinion on these 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 Cable Council, Montgomery County, as of December 31, 2000, and the results of its operations and the cash flows of its proprietary fund type 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 August 14, 2001 on our consideration of the Cable Council'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.

**Jim Petro**  
Auditor of State

August 14, 2001

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**MIAMI VALLEY CABLE COUNCIL  
MONTGOMERY COUNTY**

**COMBINED BALANCE SHEET  
PROPRIETARY FUND TYPE  
AS OF DECEMBER 31, 2000**

	<b>ENTERPRISE</b>
<b>CURRENT ASSETS</b>	
Cash and Cash Equivalents	\$1,308,114
Interest Receivable	4,733
Accounts Receivable	315,322
Prepaid Expenses	11,498
Total Current Assets	1,639,667
<b>FIXED ASSETS</b>	
Building and Improvements	869,071
Vehicles	68,613
Furniture and Equipment	1,399,789
Less: Accumulated Depreciation	(1,388,896)
Land	123,170
Total Net Fixed Assets	1,071,747
Total Assets	2,711,414
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	71,065
Capital Lease Payable	11,106
Accrued Payroll	278
Worker's Compensation Payable	6,307
Accrued Compensated Absences	22,618
Accrued Pension	11,931
Total Current Liabilities	123,305
<b>EQUITY</b>	
Contributed Capital	16,667
Retained Earnings:	
Reserved for Future Building Improvements	655,058
Unreserved	1,916,384
Total Retained Earnings	2,571,442
TOTAL FUND EQUITY	2,588,109
Total Liabilities and Fund Equity	\$2,711,414

*See accompanying notes to the general purpose financial statements.*

**MIAMI VALLEY CABLE COUNCIL  
MONTGOMERY COUNTY**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND EQUITY  
PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<b>ENTERPRISE</b>
<b>OPERATING REVENUES:</b>	
Franchise Fees	\$1,231,402
Charges for Services	40,075
Training and Tuition	18,165
Other Income	<u>51,909</u>
Total Operating Revenue	1,341,551
<b>OPERATING EXPENSES:</b>	
Personal Services	575,253
Fringe Benefits	129,705
Equipment and Supplies	54,425
Maintenance	49,430
Contractual Services	77,248
Depreciation	158,186
Utilities	28,877
Other Operating Expenses	<u>86,832</u>
Total Operating Expenses	<u>1,159,956</u>
Operating Income (Loss)	181,595
Non-Operating Revenues/(Expenses)	
Interest Income	<u>70,903</u>
Total Non-Operating Revenues/(Expenses)	<u>70,903</u>
Income (Loss) Before Operating Transfers	252,498
Operating Transfer In	80,000
Operating Transfer Out	<u>(80,000)</u>
Net Income	252,498
Retained Earnings at Beginning of Year	<u>2,318,944</u>
Retained Earnings at End of Year	2,571,442
Contributed Capital at Beginning of Year	33,334
Decrease in Contributed Capital	<u>(16,667)</u>
Contributed Capital at End of Year	<u>16,667</u>
Total Fund Equity at End of Year	<u>\$2,588,109</u>

*See accompanying notes to the general purpose financial statements.*



**MIAMI VALLEY CABLE COUNCIL  
MONTGOMERY COUNTY**

**COMBINED STATEMENT OF CASH FLOWS  
PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2000**

	<b>ENTERPRISE</b>
<b>Cash Provided (Used) by Operations</b>	
Operating Income	\$ 181,595
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Depreciation	158,186
Increase in Accounts Receivable	(16,423)
Increase in Prepaid Expenses	283
Increase in Accounts Payable	4,548
Decrease in Accrued Liabilities	(33,963)
Net Cash Provided by Operating Activities	294,226
Cash Flows from Capital and Related Financing Activities:	
Contributed Capital by Media One	(16,667)
Purchase of Equipment	(153,617)
Capital Lease Payment	(21,357)
Net Cash Used For Capital and Related Financing Activities	(191,641)
Cash Flows from Investing Activities:	
Receipts of Interest	70,903
Net Increase (Decrease) in Cash and Cash Equivalents	173,488
Cash and Cash Equivalents Beginning of Year	1,134,626
Cash and Cash Equivalents End of Year	<b>\$ 1,308,114</b>

*See accompanying notes to the general purpose financial statements.*

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**MIAMI VALLEY CABLE COUNCIL  
MONTGOMERY COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000**

**1. REPORTING ENTITY AND BASIS OF PRESENTATION**

**A. Description of the Entity**

The Miami Valley Cable Council (the Cable Council) is a consortium of municipalities providing a cable system for the southern suburbs of Dayton, Ohio. This consortium consists of the following municipalities: City of Oakwood, City of Moraine, City of Kettering, City of West Carrollton, City of Miamisburg, City of Centerville, City of Germantown (expansion member), and Village of Springboro (expansion member).

In 1975, the first six members shown above awarded identical franchises to Continental Cable of the Miami Valley, and shortly thereafter the Cable Council was formally established to administer those franchises. The Cable Council is funded by franchise fees which the cable companies pay to the cities for the privilege of using the public rights-of-way. Under the terms of the franchise agreements, channel capacity is to be set aside on the cable system for community use. The managing of the Community Access Facility is a large part of the Miami Valley Cable Council's responsibility for franchise administration.

The Miami Valley Cable Council is also the fiscal agent for the Tactical Crime Suppression Unit. The Tactical Crime Suppression Unit is a consortium of the municipalities' police departments organized as a cooperative effort to deal more effectively with the present and projected crime levels in the municipalities.

**B. Reporting Entity**

The reporting entity is comprised of the primary unit government, component units, and other organizations that are included to insure that the financial statements of the Cable Council are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separated from the Cable Council. For Miami Valley Cable Council, this includes general operations and the Tactical Crime Suppression Unit.

Component units are legally separated organizations for which the Cable Council is financially accountable. The Cable Council is financially accountable for an organization if the Cable Council appoints a voting majority of the organization's governing board and (1) the Cable Council is able to significantly influence the program or services performed or provided by the organization; or (2) the Cable Council is legally entitled to or can otherwise access the organization's resources; the Cable Council is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Cable Council is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Cable Council to approve the budget, issue debt, or levy taxes for the organization. The Cable Council had no component units.

The financial statements of the Miami Valley Cable Council have been prepared in conformity with general accepted accounting principals (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principals. The Cable Council also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its proprietary activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the Cable Council's accounting policies are described below.

**MIAMI VALLEY CABLE COUNCIL  
MONTGOMERY COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Presentation - Fund Accounting**

The Cable Council uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Cable Council functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

For financial statement presentation purposes, the funds of the Cable Council are classified in the proprietary fund type. Proprietary funds are used to account for the Cable Council's activities which are similar to those found in the private sector. The following is the Cable Council's proprietary fund type:

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

**B. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The proprietary fund is accounted for on a flow of economic resources measurement focus. With measurement focus, all assets and all liabilities associated with operation of the fund is included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. The accrual basis of accounting is utilized for reporting purposes by the proprietary fund type. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized at the time they are incurred.

**C. Budgetary Process**

The budgetary process is prescribed by provisions of the Miami Valley Cable Council By-Laws and entails the preparation of budgetary documents within an established timetable. The budget shall not include expenditures in excess of current revenues and available resources. The budget must be approved by the Cable Council and may be amended during the year only with the approval of the Cable Council. The Cable Council is not required to certify to the Montgomery County Budget commission or other regulatory agencies.

**MIAMI VALLEY CABLE COUNCIL  
MONTGOMERY COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Cash and Cash Equivalents**

The government's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

There are no restrictions on the Cable Council's investment activities.

During fiscal year 2000, investments were limited to certificates of deposits and STAR Ohio. Investments are stated at cost which approximates market value. Investment earnings are reported in the fund which has made the investment.

For purpose of the statement of cash flows and for presentation on the balance sheet, investments with an original maturity of three months or less at the time they are purchased by the Cable Council are considered to be cash equivalents.

**E. Reserved Retained Earnings**

At December 31, 2000, the Miami Valley Cable Council Fund had set aside \$655,058 of its revenue for future needs. Available interest is allocated toward current expenditures.

**F. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2000, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense is reported in the year in which the services are consumed.

**G. Fixed Assets and Depreciation**

Fixed assets utilized in the proprietary funds are capitalized in the respective fund. All fixed assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their market values as of the date received. The Cable Council does not have any infrastructure.

Improvements are capitalized. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of fixed assets is also not capitalized.

Depreciation of buildings, furniture and equipment, and vehicles in the enterprise funds is computed using the straight-line method over an estimated useful life of five years for furniture, equipment and vehicles and forty years for buildings. Improvements to fund fixed assets are depreciated over the remaining useful lives of the related fixed assets.

**H. Interfund Assets/Liabilities**

Short-term interfund loans are classified as "Due To Other Funds" and "Due From Other Funds."

**MIAMI VALLEY CABLE COUNCIL  
MONTGOMERY COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributed to services already rendered and it is probable that the Cable Council will compensate the employees for the benefits through paid time off or some other means. The Cable Council records a liability for accumulated unused vacation time when earned for all employees. The entire amount of the liability is reported in the fund from which the employee is paid.

Sick leave benefits are not subject to payout by the Cable Council and therefore are not included as a liability on the balance sheet.

**J. Interfund Transactions**

Quasi-external transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made out of it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

Nonrecurring or nonroutine permanent transfers of equity are reported as residual transfers. All other interfund transfers are reported as operating transfers.

**K. Franchise Fees**

The Cable Council receives 5% of the gross revenues of cable companies operating within the member of the Cable Council's jurisdiction based on an agreement entered into by the Cable Council and the cable companies. This agreement expires in 2006. These fee receipts are reported as franchise fees in the Miami Valley Cable Council Fund. Franchise fee revenue totaled \$1,231,402 for the period January 1, 2000 through December 31, 2000.

**3. DEPOSITS AND INVESTMENTS**

Protection of the Cable Council's deposits is provided by the Federal Deposits Insurance Corporation (FDIC) or by a single collateral pool established by the financial institution to secure the repayment for all public monies deposited with the institution.

At fiscal year end, the Cable Council had \$100 of undeposited cash on hand which is included on the balance sheet as part of "Cash and Cash Equivalents."

The following information classifies deposits and investments as defined in GASB Statement 3 "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements."

**A. Deposits**

At year-end, the carrying amount of the Cable Council's deposits was \$652,956 and the bank balance was \$718,534. Of the bank balance, \$187,103 was covered by federal depository insurance and \$531,431 was covered by pooled collateral held in the pledging bank's trust department in the Cable Council's name.

**MIAMI VALLEY CABLE COUNCIL  
MONTGOMERY COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000  
(Continued)**

**3. DEPOSITS AND INVESTMENTS (Continued)**

Although the securities serving as collateral were held by the pledging financial institution's trust department in the Cable Council's name, and all state statutory requirements for the deposits of money had been followed, noncompliance with federal requirements would potentially subject the Cable Council to a successful claim by the Federal Deposit Insurance Corporation.

**B. Investments**

The Cable Council investments are categorized below to give an indication of the level of the risk assumed by the Cable Council at fiscal year end. Category 1 includes investments that are insured or registered for which the securities are held by the Cable Council or its agent in the Cable Council's name. Category 2 includes uninsured or unregistered investments which are held by the counterparty's trust department or agent in the Cable Council's name. Category 3 includes uninsured or unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the Cable Council's name.

The Cable Council's investments in STAR Ohio, an investment pool operated by the Ohio State Treasurer, are unclassified since they are not evidenced by securities that exist in physical or book entry form.

The Cable Council's investments at year end were limited to STAR Ohio. The carrying value and the market value of these investments at December 31, 2000, were \$655,058.

The classification of cash and cash equivalents on the combined financial statements is based on the criteria set forth in GASB Statement No. 9. A reconciliation between the classification of cash and investments on the combined financial statements and the classification per GASB Statement 3 is as follows:

	<b>Cash and Cash Equivalent/Deposits</b>	<b>Investments</b>
GASB Statement 9	\$1,308,114	\$ 0
Cash on Hand	(100)	0
Investments:		
STAR Ohio	<u>(655,058)</u>	<u>655,058</u>
GASB Statement 3	<u>\$652,956</u>	<u>\$655,058</u>

**4. RISK MANAGEMENT**

The Cable Council is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; error and omission; injuries to employees; and natural disasters. The Cable Council maintains comprehensive insurance coverage with private carriers for real property, building contents, and vehicle. Vehicle policies include liability coverage for bodily injury and property damage.

Settlement claims have not exceeded this commercial coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage from last year.

**MIAMI VALLEY CABLE COUNCIL  
MONTGOMERY COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000  
(Continued)**

**5. DEFINED BENEFIT PENSION PLANS**

The Cable Council contributes to the Public Employees Retirement System of Ohio (PERS), a cost-sharing multiple employer public employee retirement system administered by the public employees retirement Board. PERS provides basic retirement benefits, disability benefits, and survivor benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised code.

PERS issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215.

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations and the Cable Council is required to contribute 10.84 percent. Contributions are authorized by state statute. The contribution rates are determined actuarially. The Cable Council's required contributions to PERS for the years ended December 31, 2000, 1999, and 1998, were \$62,919, \$78,849, and \$63,703, respectively. The full amount has been contributed for 1999 and 1998. For 2000, 81.01 percent has been contributed, with the remainder being reported as a fund liability.

**6. POST EMPLOYMENT BENEFITS**

The Public Employees Retirement System of Ohio (PERS) provides post retirement health care coverage to age and service retirants with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability is available. The health care coverage provided by the retirement system is considered Other Post Employment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of post retirement health care. The 2000 employer contribution rate was 10.84 percent of covered payroll; 4.3 percent was the portion that was used to fund health care for the year 2000.

Benefits are funded on a actuarial cost method. The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to PERS. OPEB is financed through employer contributions and investment earnings thereon. The contribution allocated to retiree health care, along with investments income on allocated assets and periodic adjustments in health care provisions, are expected to be sufficient to sustain the program indefinitely.

Expenditures of OPEB during 2000 were \$559,606,294. As of December 31, 2000, the unaudited estimated net assets available for future OPEB payments were \$10,805.5 million. The number of benefit recipients eligible for OPEB at December 31, 2000, was 118,062.

**7. POST EMPLOYMENT BENEFITS**

The Retirement Board instituted a temporary employer contribution rate rollback for contribution rate calendar year 2000. The rollback was 20% for local governments. The 2000 employer contribution rate for local government employers was 10.84% of covered payroll.



**MIAMI VALLEY CABLE COUNCIL  
MONTGOMERY COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2000  
(Continued)**

**8. CAPITALIZED LEASES - LESSEE DISCLOSURE**

The following is a schedule of the final future minimum lease payment required under the capital lease and the present value of the minimum lease payment as of December 31, 2000.

<b>Year ended Ending December 31,</b>	<b>Enterprise Fund</b>
Total minimum lease payments	11,276
Less: amount representing interest	(170)
Present value of minimum lease payments	\$11,106

**9. SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

The Cable Council maintains two enterprise funds to account for its general operations and the Tactical Crime Suppression Unit. The table below reflects the more significant financial data relating to the enterprise funds of the Cable Council as of and for the fiscal year ended December 31, 2000.

	<b>Total Miami Valley Cable Council</b>	<b>Tactical Crime Suppression Unit</b>	<b>Enterprise Funds</b>
Operating Revenue	\$1,262,331	\$ 79,220	\$1,341,551
Operating Expenses Less Depreciation	915,093	86,677	1,001,770
Depreciation Expense	139,934	18,252	158,186
Operating Income(Loss)	207,304	(25,709)	181,595
Interest Income	70,794	109	70,903
Net Income	278,098	(25,600)	252,498
Fixed Assets Additions	143,840	9,777	153,617
Net Working Capital	1,398,945	117,417	1,516,362
Total Assets	2,661,781	49,633	2,711,414
Total Retained Earnings	2,410,980	160,462	2,571,442

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

Miami Valley Cable Council  
Montgomery County  
1195 East Alex Bell Road  
Centerville, Ohio 45459

To the Members of Council:

We have audited the financial statements of Miami Valley Cable Council as of and for the year ended December 31, 2000, and have issued our report thereon dated August 14, 2001. 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 Cable Council'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*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Miami Valley Cable Council in a separate letter dated August 14, 2001.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Miami Valley Cable Council'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 Miami Valley Cable Council in a separate letter dated August 14, 2001.

Miami Valley Cable Council  
Montgomery County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

This report is intended for the information and use of the Personnel and Finance Committee, management, and the governing board, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

August 14, 2001



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**MIAMI VALLEY CABLE COUNCIL**

**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  
OCTOBER 9, 2001**