



Mary Taylor, CPA
Auditor of State

**CARROLL REGIONAL PLANNING COMMISSION
CARROLL COUNTY**

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Mary Taylor, CPA

Auditor of State

Carroll Regional Planning Commission
Carroll County
119 Public Square
Carrollton, Ohio 44615

To the Board of Commissioners:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

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Mary Taylor, CPA
Auditor of State

May 28, 2008

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Carroll Regional Planning Commission
Carroll County
119 Public Square
Carrollton, Ohio 44615

To the Board of Commissioners:

We have audited the accompanying financial statements of Carroll Regional Planning Commission, Carroll County, (the Commission) as of and for the years ended December 31, 2006 and 2005. 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Commission has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

GAAP require presenting entity wide statements and also presenting the Library's larger (i.e. major) funds separately. While the Planning Commission does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require Planning Commission's to reformat their statements. The Planning Commission has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the year ended December 31, 2006 and 2005 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Commission as of December 31, 2006 and 2005, or its changes in financial position for the years then ended.

Also, 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 Carroll Regional Planning Commission, Carroll County, as of December 31, 2006 and 2005, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Commission to include Management's Discussion and Analysis for the years ended December 31, 2006 and 2005. The Commission has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2008, on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



Mary Taylor, CPA
Auditor of State

May 28, 2008

**CARROLL REGIONAL PLANNING COMMISSION
CARROLL COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2006**

| | <u>Governmental Fund Types</u> |
|--|--------------------------------|
| | <u>General</u> |
| Cash Receipts: | |
| Fees Charged to Subdivisions | \$1,112 |
| Grants | 21,000 |
| Other Receipts | 1,488 |
| | <hr/> |
| Total Cash Receipts | 23,600 |
| | <hr/> |
| Cash Disbursements: | |
| Salaries | 18,720 |
| Supplies | 1,311 |
| Contracts - Services | 241 |
| Travel | 1,302 |
| Public Employee's Retirement | 2,565 |
| Worker's Compensation | 418 |
| Other | 587 |
| | <hr/> |
| Total Disbursements | 25,144 |
| | <hr/> |
| Total Receipts Over/(Under) Disbursements | (1,544) |
| | <hr/> |
| Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements | (1,544) |
| | <hr/> |
| Fund Cash Balances, January 1 | 6,860 |
| | <hr/> |
| Fund Cash Balances, December 31 | <u>\$5,316</u> |
| | <hr/> |
| Reserve for Encumbrances, December 31 | <u>\$410</u> |
| | <hr/> |

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

**CARROLL REGIONAL PLANNING COMMISSION
CARROLL COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2005**

| | <u>Governmental Fund Types</u> |
|--|--------------------------------|
| | <u>General</u> |
| Cash Receipts: | |
| Fees Charged to Subdivisions | \$1,112 |
| Grants | 21,000 |
| Contractual Services | 2,636 |
| Investment Income | |
| Gifts, Devises and Bequests | 600 |
| Other Receipts | 206 |
| | <hr/> |
| Total Cash Receipts | 25,554 |
| | <hr/> |
| Cash Disbursements: | |
| Salaries | 15,480 |
| Supplies | 3,104 |
| Equipment | 0 |
| Contracts - Services | 1,459 |
| Travel | 1,014 |
| Public Employee's Retirement | 2,098 |
| Worker's Compensation | 207 |
| Other | 538 |
| | <hr/> |
| Total Disbursements | 23,900 |
| | <hr/> |
| Total Receipts Over/(Under) Disbursements | 1,654 |
| | <hr/> |
| Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Disbursements | 1,654 |
| | <hr/> |
| Fund Cash Balances, January 1 | 5,206 |
| | <hr/> |
| Fund Cash Balances, December 31 | \$6,860 |
| | <hr/> <hr/> |
| Reserve for Encumbrances, December 31 | \$225 |
| | <hr/> <hr/> |

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

**CARROLL REGIONAL PLANNING COMMISSION
CARROLL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2006**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges for the Carroll Regional Planning Commission, Carroll County, (the Commission) as a body corporate and politic. An eight member Board governs the Commission. The Board consists of eight citizen and municipal members elected or appointed by the Board of County Commissioners or the members of the Carroll Regional Planning Commission. The Commission formulates and reviews plans and maps affecting system of transportation, highways, park and recreational facilities, water supply, sewage disposal, garbage disposal, civic centers and other public improvements which affect the development of the Region as a whole and which does not begin and terminate the boundaries of any single municipal corporation. The participating subdivisions are:

| | | |
|-----------------------|----------------------|--------------------------|
| Village of Carrollton | East Township | Union Township |
| Village of Malvern | Lee Township | Village of Dellroy |
| Augusta Township | Orange Township | Village of Minerva |
| Brown Township | Perry Township | Village of Sherrodsville |
| Fox Township | Washington Township | Center Township |
| Loudon Township | Village of Leesville | Harrison Township |
| Monroe Township | Rose Township | Village of Magnolia |

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 the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. This basis recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the Auditor of State prescribes or permits.

C. Cash and Investments

As the Ohio Revised Code requires, the Carroll County Treasurer is the custodian of the Commission's monies. The County holds the Commission's assets in its cash and investment pool, valued at the County Treasurer's reported carrying amount.

**CARROLL REGIONAL PLANNING COMMISSION
CARROLL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2006
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 type:

General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund.

2. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2006 and 2005 follows:

| 2006 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|----------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$23,599 | \$23,600 | \$1 |
| Total | \$23,599 | \$23,600 | \$1 |

| 2006 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|----------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$26,260 | \$25,554 | \$706 |
| Total | \$26,260 | \$25,554 | \$706 |

| 2005 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|----------------------|--------------------|----------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$24,000 | \$25,554 | \$1,554 |
| Total | \$24,000 | \$25,554 | \$1,554 |

| 2005 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|----------------------------|---------------------------|----------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$29,206 | \$24,155 | \$5,051 |
| Total | \$29,206 | \$24,155 | \$5,051 |

3. RETIREMENT SYSTEMS

The Commission's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes retirement benefits, including postretirement healthcare, and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2006 and 2005, OPERS members contributed 8.5 percent of their gross salaries. The Commission contributed an amount equal to 13.55 percent of participants' gross salaries. The Commission has paid all contributions required through December 31, 2006.

**CARROLL REGIONAL PLANNING COMMISSION
CARROLL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2006
(Continued)**

4. RISK MANAGEMENT

Commercial Insurance

The Commission has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

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Mary Taylor, CPA

Auditor of State

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

Carroll Regional Planning Commission
Carroll County
119 Public Square
Carrollton, Ohio 44615

To the Board of Commissioners:

We have audited the financial statements of the Carroll Regional Planning Commission, Carroll County, (the Commission) as of and for the years ended December 2006 and 2005, and have issued our report thereon dated May 28, 2008, wherein we noted the Commission followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Commission's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Commission's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Commission's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Township's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Commission's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the Commission's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of the management and the Board of Commissioners. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

May 28, 2008



Mary Taylor, CPA
Auditor of State

CARROLL REGIONAL PLANNING COMMISSION

CARROLL 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
JUNE 19, 2008**