



**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006



Mary Taylor, CPA
Auditor of State

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Crawford Regional Planning Commission
Crawford County
112 East Mansfield Street
Bucyrus, Ohio 44820

To the Board of Commissioners:

We have audited the accompanying financial statements of the governmental activities and the major fund of the Crawford Regional Planning Commission, Crawford County, Ohio, (the Commission) as of and for the years ended December 31, 2007 and 2006, which collectively comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express opinions 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 opinions.

As discussed in Note 2, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other the accounting principals generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities and the major fund of the Crawford Regional Planning Commission, Crawford County, Ohio, as of December 31, 2007 and 2006, and the change in cash financial position and the budgetary comparison for the General Fund for the years then ended in conformity with the accounting basis Note 2 describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 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.

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Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

February 25, 2008

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**
Unaudited

The discussion and analysis of the Regional Planning Commission's (the Commission) financial performance provides a review of the Commission's financial activities for the years ended December 31, 2007 and 2006, within the limitations of the Commission's cash basis of accounting. The intent of this discussion and analysis is to provide readers with a general explanation of the Commission's financial performance. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the Commission's financial performance.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Commission's cash basis of accounting.

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Commission as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities and conditions on a cash basis of accounting.

The Statement of Net Assets - Cash Basis and Statement of Activities - Cash Basis provide information about the activities of the whole Commission, presenting both an aggregate view of the Commission's finances and a longer-term view of those finances. Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Commission as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Commission has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Commission's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

Unaudited
(Continued)

Reporting the Regional Planning Commission as a Whole

The statement of net assets and the statement of activities reflect how the Commission did financially during 2007 and 2006, within the limitations of the cash basis of accounting. The Statement of Net Assets - Cash Basis presents the cash balance of the governmental activities of the Commission at year end. The Statement of Activities - Cash Basis compares disbursements with program receipts for each governmental activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of disbursements with program receipts identifies how each governmental function draws from the Commission's general receipts.

These statements report the Commission's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, these changes can be one way to measure the Commission's financial health. Over time, increases or decreases in the Commission's cash position are one indicator of whether the Commission's financial health are improving or deteriorating. When evaluating the Commission's financial condition, other nonfinancial factors should also be considered, such as the Commission's census as the base for subdivision charges and the reliance on non-local financial resources for operations and the need for continued growth.

The Statement of Net Assets - Cash Basis reports all of the Commission's activities, which are governmental. Subdivision charges and a county grant finance most of these activities.

***Reporting the Regional Planning Commission's Most Significant Fund
Fund Financial Statements***

Fund financial statements provide detailed information about the Commission's fund.

The Commission's activities are reported in a governmental fund. The governmental fund financial statements provide a detailed short-term view of the Commission's governmental operations and the planning services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Commission's programs. The Commission's governmental fund is the General Fund.

The Regional Planning Commission as a Whole

Table 1 provides a summary of the Commission's net assets for 2007 compared to 2006 and 2006 compared to 2005 on a cash basis:

**Table 1
Net Assets - Cash Basis**

	Governmental Activities		
	2007	2006	2005
Assets			
Cash and Cash Equivalents	\$38,361	\$31,004	\$34,859
Net Assets			
Unrestricted	38,361	31,004	34,859
Total Net Assets	\$38,361	\$31,004	\$34,859

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

Unaudited
(Continued)

Net assets remained fairly consistent from 2005 to 2006. The increase in net assets from 2006 to 2007 was primarily due to the Commission receiving increased revenues in 2007 from administering a Community Development Block Grant (CDBG) program.

Table 2 reflects the changes in net assets for 2007, 2006, and 2005.

**Table 2
Change in Net Assets - Cash Basis**

	2007	2006	2005
Program Cash Receipts			
Charges for Services	\$29,586	\$17,532	\$48,679
Operating Grant	25,000	25,000	25,000
Total Program Cash Receipts	54,586	42,532	73,679
General Receipts			
Miscellaneous	0	0	1,514
Total General Receipts	0	0	1,514
Total Receipts	54,586	42,532	75,193
Disbursements			
Planning	47,229	46,387	48,966
Total Disbursements	47,229	46,387	48,966
Change in Net Assets	7,357	(3,855)	26,227
Net Assets Beginning of Year	31,004	34,859	8,632
Net Assets End of Year	\$38,361	\$31,004	\$34,859

Program receipts accounted for almost all of the Commission's total receipts in 2007, 2006, and 2005. These receipts consist primarily of fees, charges for services, charges to member subdivisions, and a local operating grant provided by Crawford County. In 2005, the remainder of the Commission's total receipts was from general receipts, consisting of miscellaneous revenues collected for general planning purposes. The main cause for the decrease in charges for services from 2005 was due to the Commission receiving a one-time payment in 2005 for writing the Crawford County Pre-Disaster Mitigation Plan.

Governmental Activities

Table 3 indicates the total cost of services and the net cost of services. The Statement of Activities - Cash Basis reflects the cost of program services and the charges for services and operating grants and contributions offsetting those services. The total cost of services represents expenses related to planning issues and special projects, and administration of a Community Development Block Grant (CDBG) program. The net cost of services identifies the cost of those services supported by subdivision charges, a grant provided by Crawford County, and a one-time payment for administering the CDBG program.

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

Unaudited
(Continued)

**Table 3
Governmental Activities**

	Total Cost of Services			Net Cost of Services		
	2007	2006	2005	2007	2006	2005
Planning	\$47,229	\$46,387	\$48,966	\$7,357	(\$3,855)	\$24,713
Total Distribution	\$47,229	\$46,387	\$48,966	\$7,357	(\$3,855)	\$24,713

For 2007, program receipts, comprised of charges for services and an operating grant, were sufficient to cover the cost of providing services. The negative net cost of services for 2006 resulted from the Commission not receiving CDBG administration dollars in 2006. The Commission receives its administration dollars at the completion of the grant, and this particular grant was extended into 2007, thus delaying receipt until 2007. For 2005, the large positive net cost of services resulted from the Commission receiving a one-time payment in 2005 for writing the Crawford County Pre-Disaster Mitigation Plan.

The Regional Planning Commission's Fund

In 2007, the governmental fund had total receipts of \$54,586 and disbursements of \$47,227. The governmental fund had an increase in the cash balance of \$7,357.

As mentioned previously, in 2006, the cash balance decrease of \$3,855 resulted from revenues not yet being received by the Commission relating to administering the CDBG grant.

General Fund Budgeting Highlights

The Commission's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During the course of 2007, the Commission amended its appropriations, and the budgetary statement reflects both the original and final appropriated amounts. The Commission amended appropriations to allow for the purchase of additional supplies in 2007. The Commission did not amend appropriations in 2006.

Contacting the Regional Planning Commission's Financial Management

This financial report is designed to provide a general overview of the Commission's finances for all those with an interest in the Commission's finances and to reflect the Commission's accountability for the money it receives. Questions concerning any of the information in this report or requests for additional information should be directed to the Crawford Regional Planning Commission, 112 East Mansfield Street, Suite 207, Bucyrus, Ohio 44820.

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**STATEMENT OF NET ASSETS - CASH BASIS
DECEMBER 31, 2007**

	<u>Governmental Activity</u>
Assets	
Cash and Cash Equivalents	<u>\$ 38,361</u>
<i>Total Assets</i>	<u><u>38,361</u></u>
Net Assets	
Unrestricted	<u>38,361</u>
<i>Total Net Assets</i>	<u><u>\$ 38,361</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007**

		Program Receipts		Net Receipts and Change in Net Assets
	Cash Disbursements	Charges for Services	Operating Grant	Governmental Activity
Governmental Activity				
Planning	\$ 47,229	\$ 29,586	\$ 25,000	\$ 7,357
		<i>Net Assets Beginning of Year</i>		31,004
		<i>Net Assets End of Year</i>		\$ 38,361

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCE
DECEMBER 31, 2007**

Assets	
Cash and Cash Equivalents	<u>\$ 38,361</u>
Fund Balance	
Reserved:	
Reserved for Encumbrances	225
Unreserved:	
Undesignated	<u>38,136</u>
Total Fund Balance	<u>\$ 38,361</u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGE IN CASH BASIS
FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2007**

Receipts	
Charges for Services - Grant Administration	\$ 12,100
Subdivision Charges	17,486
County Grant	<u>25,000</u>
<i>Total Receipts</i>	<u>54,586</u>
Disbursements	
Current:	
Planning	<u>47,229</u>
<i>Net Change in Fund Balance</i>	7,357
<i>Fund Balance Beginning of Year</i>	<u>31,004</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 38,361</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Charges for Services - Grant Administration	\$ 11,500	\$ 11,500	\$ 12,100	\$ 600
Subdivision Charges	17,514	17,514	17,486	(28)
County Grant	25,000	25,000	25,000	-
<i>Total Receipts</i>	<u>54,014</u>	<u>54,014</u>	<u>54,586</u>	<u>572</u>
Disbursements				
Current:				
Planning				
Personal Services	46,735	46,735	45,777	958
Materials and Supplies	800	960	896	64
Contractual Services	1,743	1,743	-	1,743
Capital Outlay	500	340	-	340
Other	1,250	1,250	781	469
<i>Total Disbursements</i>	<u>51,028</u>	<u>51,028</u>	<u>47,454</u>	<u>3,574</u>
<i>Net Change in Fund Balance</i>	2,986	2,986	7,132	4,146
<i>Fund Balance Beginning of Year</i>	<u>31,004</u>	<u>31,004</u>	<u>31,004</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 33,990</u>	<u>\$ 33,990</u>	<u>\$ 38,136</u>	<u>\$ 4,146</u>

See accompanying notes to the basic financial statements

CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY

STATEMENT OF NET ASSETS - CASH BASIS
DECEMBER 31, 2006

	<u>Governmental Activity</u>
Assets	
Cash and Cash Equivalents	<u>\$ 31,004</u>
<i>Total Assets</i>	<u><u>31,004</u></u>
Net Assets	
Unrestricted	<u>31,004</u>
<i>Total Net Assets</i>	<u><u>\$ 31,004</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAE ENDED DECEMBER 31, 2006**

	Program Receipts			Net Disbursements and Change in Net Assets
	Cash Disbursements	Charges for Services	Operating Grant	Governmental Activity
Governmental Activity				
Planning	\$ 46,387	\$ 17,532	\$ 25,000	\$ (3,855)
		<i>Net Assets Beginning of Year</i>		34,859
		<i>Net Assets End of Year</i>		\$ 31,004

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCE
DECEMBER 31, 2006**

Assets

Cash and Cash Equivalents	<u>\$ 31,004</u>
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Fund Balance

Unreserved:

Undesignated	<u>\$ 31,004</u>
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See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGE IN CASH BASIS
FUND BALANCE
FOR THE YEAE ENDED DECEMBER 31, 2006**

Receipts	
Subdivision Charges	\$ 17,532
County Grant	<u>25,000</u>
<i>Total Receipts</i>	<u>42,532</u>
Disbursements	
Current:	
Planning	<u>46,387</u>
<i>Net Change in Fund Balance</i>	(3,855)
<i>Fund Balance Beginning of Year</i>	<u>34,859</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 31,004</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts				
Subdivision Charges	\$ 17,515	\$ 17,515	\$ 17,532	\$ 17
County Grant	7,500	7,500	25,000	17,500
Miscellaneous	7,500	7,500	-	(7,500)
<i>Total Receipts</i>	<u>32,515</u>	<u>32,515</u>	<u>42,532</u>	<u>10,017</u>
Disbursements				
Current:				
Planning				
Personal Services	45,335	45,335	44,420	915
Materials and Supplies	800	800	202	598
Contractual Services	1,743	1,743	1,589	154
Capital Outlay	505	505	-	505
Other	1,250	1,250	176	1,074
<i>Total Disbursements</i>	<u>49,633</u>	<u>49,633</u>	<u>46,387</u>	<u>3,246</u>
<i>Net Change in Fund Balance</i>	(17,118)	(17,118)	(3,855)	13,263
<i>Fund Balance Beginning of Year</i>	<u>34,859</u>	<u>34,859</u>	<u>34,859</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 17,741</u>	<u>\$ 17,741</u>	<u>\$ 31,004</u>	<u>\$ 13,263</u>

See accompanying notes to the basic financial statements

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

Note 1 - Reporting Entity

The Crawford Regional Planning Commission, Crawford County, Ohio, (the Commission) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Commission was formed for the purpose of providing cooperation in planning for land use, systems of transportation, highways, parks and recreational facilities, water supply, sewage disposal, garbage disposal, civic centers and other public improvements which affect the development of the region. The Commission is directed by a 35 member Board. The Board consists of representatives from participating political subdivisions, the county commissioners, and certain other county officials. The participating subdivisions are:

Auburn Township	Jefferson Township	Vernon Township
Bucyrus Township	Liberty Township	Whetstone Township
Chatfield Township	Lykens Township	Village of New Washington
Cranberry Township	Polk Township	City of Bucyrus
Dallas Township	Sandusky Township	City of Crestline
Holmes Township	Texas Township	City of Galion
Jackson Township	Tod Township	

The reporting entity is composed of the primary government.

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

Note 2 - Summary of Significant Accounting Policies

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. Following are the more significant of the Commission's accounting policies.

A. Basis of Presentation

The Commission's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 2 - Summary of Significant Accounting Policies (continued)

A. Basis of Presentation (continued)

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the Commission as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net assets presents the cash balance of the governmental activity of the Commission at year end. The statement of activities compares disbursements and program receipts for each program or function of the Commission's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Commission is responsible. Program receipts include charges paid by the recipient of the goods or services offered by the program and grants that are restricted to meeting the operational requirements of a particular program.

Receipts which are not classified as program receipts are presented as general receipts of the Commission, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental program is self-financing on a cash basis or draws from the general receipts of the Commission.

Fund Financial Statements

During the year, the Commission segregates transactions related to certain Commission functions or activities in a fund in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Commission at this more detailed level.

B. Fund Accounting

The Commission uses a fund to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Commission classifies its fund as governmental.

Governmental Fund

The governmental fund finances all governmental functions of the Commission. The following is the Commission's major governmental fund:

General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the Commission for any purpose provided it is expended or transferred according to the general laws of Ohio.

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 2 - Summary of Significant Accounting Policies (continued)

C. Basis of Accounting

The Commission's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Commission's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Commission are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

D. Budgetary Process

The Board makes appropriations for its expenditures at the regular meeting held in January of each year. Appropriations may be modified or supplemented from time to time during the year, but shall at no time exceed the total amount received or due from cooperating governments, public agencies or other sources, which is established in the certificate of estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution that covered the entire year. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Commission during the year.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Commission. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Commission.

E. Cash and Cash Equivalents

As required by Ohio Revised Code, the Crawford County Treasurer is the custodian of the Commission's monies. The Commission's assets are held in Crawford County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the Crawford County Auditor's Office, 112 East Mansfield Street, Bucyrus, Ohio 44820.

F. Capital Assets

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

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 2 - Summary of Significant Accounting Policies (continued)

G. Accumulated Leave

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

H. Employer Contributions to Cost-Sharing Pension Plans

The Commission recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. As described in Notes 6 and 7, the employer contributions include portions for pension benefits and for postretirement health care benefits.

I. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Commission's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

The government-wide statement of net assets reports no restricted net assets.

J. Fund Balance Reserves

The Commission reserves any portion of fund balance which is not available for appropriation or which is legally segregated for a specific future use. The Statement of Cash Basis Assets and Fund Balance reports \$225 of reserved for encumbrances as of December 31, 2007. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods.

Note 3 - Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Change in Fund Balance - Budget and Actual - Budgetary Basis presented for the General Fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as expenditures (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at December 31, 2007 (budgetary basis) amounted to \$225. There were no encumbrances outstanding at December 31, 2006.

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 4 - Subdivision Charges

The Commission receives revenue from charges to member subdivisions. The charges are based upon per capita data. Subdivision fees are based on a sixteen-cent per capita charge.

Note 5 - Risk Management

The Commission is included in Crawford County's commercial insurance policies for the following risks:

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

During 2007, Crawford County contracted with Midland Service Agency, Inc. for its insurance. Comprehensive property insurance has a limit of \$44,957,473. The primary general liability limit is \$3,000,000.

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

Note 6 – Defined Benefit Pension Plans

The Commission participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 6 – Defined Benefit Pension Plans (continued)

For 2007 and 2006, the Commission's employee, who is a member of the traditional plan, was required to contribute 9.5 percent and 9.0 percent, respectively, of annual covered salary to fund pension obligations. The Commission's contribution rate for pension benefits for 2007 and 2006 was 8.35 percent and 9.2 percent, respectively. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Commission's required contribution for pension obligations to the traditional plan for the years ended December 31, 2007, 2006, and 2005 were \$2,883, \$3,098, and \$3,124, respectively; 92 percent has been contributed for 2007 and 100 percent has been contributed for 2006 and 2005.

Note 7 - Postemployment Benefits

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2007 and 2006 employer contribution rates were 13.85 percent and 13.7 percent, respectively, of covered payroll; 5.0 percent was the portion used to fund health care from January 1, 2007, through June 30, 2007, and 6.0 percent was the portion used to fund health care from July 1, 2007, through December 31, 2007; and 4.5 percent was the portion used to fund health care in 2006.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS latest actuarial review performed as of December 31, 2006, include a rate of return on investments of 6.5 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees), an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase .5 to 5 percent annually for the next eight years and 4 percent annually after eight years.

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12 percent corridor.

**CRAWFORD REGIONAL PLANNING COMMISSION
CRAWFORD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(Continued)**

Note 7 - Postemployment Benefits (continued)

The number of active contributing participants in the traditional and combined plans was 374,979. Actual employer contributions for 2007 which were used to fund postemployment benefits was \$1,899. The actual contributions and the actuarial required contribution amounts are the same. OPERS net assets available for the payment of benefits at December 31, 2006 (the latest information available), was \$12.0 billion. The actuarial accrued liability and the unfunded actuarial accrued liability were \$30.7 billion and \$18.7 billion, respectively.

The Health Care Preservation Plan (HCCP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employers contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

Note 8 - Contingent Liabilities

Amounts grantor agencies pay to the Commission are subject to audit and adjustment by the grantor. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 9 - In-Kind Support

The Commission entered into a Memorandum of Understanding with the Crawford County Commissioners for the Crawford County Commissioners to provide the Commission funding and in-kind support through March 31, 2009, consisting of the following:

- 1.) The Crawford County Commissioners will assume the full cost of the employer's share of health insurance for the Director position of the Commission;
- 2.) The Crawford County Commissioners will provide funding in the amount of the difference between the Commission annual budget and the amount the Commission will receive in Formula and RLF administration fees, and Commission per capita assessment of .16/person per each member-jurisdiction;
- 3.) The Crawford County Commissioners will provide the Commission Director use of county office space, county office equipment and supplies.

This arrangement will be evaluated throughout the two year period with a final determination made to either continue, discontinue, and/or amend the terms of the understanding no later than March 31, 2009. The Memorandum of Understanding could be amended at any time by a majority vote of the Commission and a majority vote of the Crawford County Commissioners.

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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*

Crawford Regional Planning Commission
Crawford County
112 East Mansfield Street
Bucyrus, Ohio 44820

To the Board of Commissioners:

We have audited the financial statements of the governmental activities and the major fund of the Crawford Regional Planning Commission, Crawford County, Ohio, (the Commission) as of and for the years ended December 31, 2007 and 2006, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated February 25, 2008. 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 opinions 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 Commission'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 Executive Committee, management, and the Board of Commissioners. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

February 25, 2008



Mary Taylor, CPA
Auditor of State

CRAWFORD COUNTY REGIONAL PLANNING COMMISSION

CRAWFORD 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
MAY 1, 2008**