



Mary Taylor, CPA  
Auditor of State



**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

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# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT

Auglaize County Regional Planning Commission  
Auglaize County  
209 South Blackhoof Street  
Wapakoneta, Ohio 45895

To the Board of Commissioners:

We have audited the accompanying basic financial statements of the Auglaize County Regional Planning Commission, Auglaize County (the Commission), as of and for the years ended December 31, 2008 and 2007, 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 than accounting principles 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 financial position of the Auglaize County Regional Planning Commission, Auglaize County, as of December 31, 2008 and 2007, and the respective changes in cash financial position thereof for the years then ended in conformity with the basis of accounting Note 2 describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2009, 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.

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 cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

June 22, 2009

**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007  
UNAUDITED**

This discussion and analysis of the Auglaize County Regional Planning Commission's (the Commission) financial performance provides an overall review of the Commission's financial activities for the years ended December 31, 2008 and 2007, within the limitations of the Commission's cash basis of accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Commission's financial performance.

**HIGHLIGHTS**

Key highlights for 2008 and 2007 are as follows:

- During 2008, net assets of governmental activities increased \$2,758, or 91 percent due to the collection of membership assessments during the year.
- During 2007, net assets of governmental activities decreased \$2,115, or 41 percent because membership assessments were excused for that year.

The Commission's general receipts are primarily annual membership assessments from governmental entities based on per capita of population...

**Regional Member Type**

- |                             |                   |
|-----------------------------|-------------------|
| • County (total population) | \$0.10/per capita |
| • Municipality Members      | \$0.10/per capita |
| • Township Members          | \$0.10/per capita |

For 2008 and 2007, the total possible revenue that could be generated from membership dues was \$9,243 and \$9,243 respectively; however, during 2008, the Commission approved an assessment of one-half (\$.05 per capita) the normal assessment which would generate \$4,622. Timing of collections and an assessment not collected reduced the actual revenue collected in 2008. For the year 2007, these assessments were excused.

**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.

**Report Components**

The statement of net assets and the statement of activities provide information about the cash activities of the Commission as a whole.

The fund financial statement provides a greater level of detail. The Commission has only one fund, the general fund.

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.

**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007  
UNAUDITED  
(Continued)**

**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.

**REPORTING THE COMMISSION AS A WHOLE**

The statement of net assets and the statement of activities reflect how the Commission did financially during 2008 and 2007, within the limitations of the cash basis accounting. The statement of net assets presents the cash balances of the activities of the Commission at year-end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipients of the program's services, and grants and contributions restricted to meeting the operational requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash 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, you can think of these changes as one way to measure the Commission's financial health. Over time, increases or decreases in the Commission's cash position is one indicator of whether the Commission's financial health is improving or deteriorating.

When evaluating the Commission's financial condition, you should also consider other non-financial factors as well, such as the Commission's population census as the base for assessments.

In the statement of net assets and the statement of activities, all Commission activities are reported as governmental. Membership assessments finance these activities.

**REPORTING THE COMMISSION'S MOST SIGNIFICANT FUND**

The fund financial statement provides detailed information about the Commission's fund.

The Commission's activities are reported in a governmental fund. The governmental fund financial statement provides a detailed view of the Commission's governmental operations and the basic 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.



**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007  
UNAUDITED  
(Continued)**

**THE COMMISSION AS A WHOLE**

Table 1 provides a summary of the Commission's net assets for 2008, 2007 and 2006 on a cash basis:

**(Table 1)**  
**Net Assets**

	<b>Governmental Activities</b>		
	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Assets</b>			
Cash and Cash Equivalents	\$5,781	\$3,023	\$5,138
<b>Total Assets</b>	<u>5,781</u>	<u>3,023</u>	<u>5,138</u>
<b>Net Assets</b>			
Unrestricted	5,781	3,023	5,138
<b>Total Net Assets</b>	<u>\$5,781</u>	<u>\$3,023</u>	<u>\$5,138</u>

As mentioned previously, net assets of governmental activities increased \$2,758, or 91 percent during 2008 and decreased \$2,115, or 41 percent, during 2007. The primary reason that contributed to the change in the cash balances was that there were membership assessments in 2008 and 2006 and none in 2007.

Table 2 reflects the changes in net assets for 2008, 2007 and 2006.

**(Table 2)**  
**Changes in Net Assets**

	<b>Governmental Activities</b>		
	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>General Receipts:</b>			
Membership Assessments	\$3,853		\$4,608
Miscellaneous	2	\$ 2	1
<b>Total Receipts</b>	<u>3,855</u>	<u>2</u>	<u>4,609</u>
<b>Disbursements:</b>			
Salaries	940	1,020	1,020
Supplies	7		
Contracted Services		938	
Public Employees Retirement	131	141	140
Worker's Compensation	19	18	18
<b>Total Disbursements</b>	<u>1,097</u>	<u>2,117</u>	<u>1,178</u>
Increase (Decrease) in Net Assets	2,758	(2,115)	3,431
Net Assets, January 1, 2004	3,023	5,138	1,707
<b>Net Assets, December 31, 2004</b>	<u>\$5,781</u>	<u>\$3,023</u>	<u>\$5,138</u>

General receipts represent 100 percent of the Commission's total receipts.

Disbursements for the Commission represent the overhead costs of running the Commission and the support services provided for the other Commission activities. These include primarily the costs of personnel.

**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007  
UNAUDITED  
(Continued)**

**Governmental Activities**

If you look at the statement of activities you will see that the Commission receives no program receipts to offset the costs of providing economic development services. The disbursements for governmental activities are funded entirely with general receipts.

The Net Cost (Disbursement) column of the statement compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service that ends up being paid from general receipts. There is no difference between the disbursement column and the net cost column because all costs are funded through general receipts.

**THE COMMISSION'S FUNDS**

During 2008, the governmental fund had total receipts of \$3,855 and disbursements of \$1,097. The change within the governmental fund was the balance increased \$2,758 as the result of membership assessments. During 2007, the governmental fund had total receipts of \$2 and disbursements of \$2,117. The change within the governmental fund was the balance decreased \$2,115 as the result of dues being excused.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Commission's finances and to reflect the Commission's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Kurt Rodeheffer, Secretary-Treasurer, 209 S. Blackhoof St., Wapakoneta, Ohio 45895.

**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

**STATEMENT OF NET ASSETS - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u><b>Governmental Activities</b></u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$5,781
Total Assets	<u>5,781</u>
<b>Net Assets</b>	
Unrestricted	5,781
Total Net Assets	<u><u>\$5,781</u></u>

*See accompanying notes to the basic financial statements.*



**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

**STATEMENT OF ASSETS AND FUND BALANCE - CASH BASIS  
GOVERNMENTAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008**

**Assets**

Equity in Pooled Cash and Cash Equivalents	\$5,781
Total Assets	<u>5,781</u>

**Fund Balance**

**Unreserved:**

**Undesignated, Reported in:**

General Fund	5,781
Total Fund Balance	<u>\$5,781</u>

*See accompanying notes to the basic financial statements.*

**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND  
CHANGE IN FUND BALANCE - CASH BASIS  
GOVERNMENTAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008**

**Receipts**

Membership Assessments	\$3,853
Other	2
Total Receipts	<u>3,855</u>

**Disbursements**

**Current:**

Salaries	940
Supplies	7
Public Employees Retirement	131
Worker's Compensation	19
Total Disbursements	<u>1,097</u>

Net Change in Fund Balance 2,758

Fund Balance Beginning of Year 3,023

Fund Balance End of Year \$5,781

*See accompanying notes to the basic financial statements.*

**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

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

	<u><b>Governmental Activities</b></u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$3,023</u>
Total Assets	<u>3,023</u>
<b>Net Assets</b>	
Unrestricted	<u>3,023</u>
Total Net Assets	<u><u>\$3,023</u></u>

*See accompanying notes to the basic financial statements.*

**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

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

	<b>Cash Disbursements</b>	<b>Net (Disbursements) Receipts and Changes in Net Assets</b>
<b>Governmental Activities</b>	<u>Governmental Activities</u>	<u>Governmental Activities</u>
Salaries	\$1,020	(\$1,020)
Contract Services	938	(938)
Public Employees Retirement	141	(141)
Worker's Compensation	18	(18)
Total Governmental Activities	<u>\$2,117</u>	<u>(2,117)</u>
	<b>General Receipts</b>	
	Miscellaneous	<u>2</u>
	Total General Receipts	2
	Change in Net Assets	(2,115)
	Net Assets Beginning of Year	<u>5,138</u>
	Net Assets End of Year	<u>\$3,023</u>

*See accompanying notes to the basic financial statements.*



**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

**STATEMENT OF ASSETS AND FUND BALANCE - CASH BASIS  
GOVERNMENTAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007**

**Assets**

Equity in Pooled Cash and Cash Equivalents	\$3,023
Total Assets	<u>3,023</u>

**Fund Balance**

**Unreserved:**

**Undesignated, Reported in:**

General Fund	3,023
Total Fund Balance	<u>\$3,023</u>

*See accompanying notes to the basic financial statements.*

**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

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

<b>Receipts</b>	
Other	\$2
Total Receipts	<u>2</u>
<b>Disbursements</b>	
<b>Current:</b>	
Salaries	1,020
Contract Services	938
Public Employees Retirement	141
Worker's Compensation	18
Total Disbursements	<u>2,117</u>
Net Change in Fund Balance	(2,115)
Fund Balance Beginning of Year	<u>5,138</u>
Fund Balance End of Year	<u><u>\$3,023</u></u>

*See accompanying notes to the basic financial statements.*

**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007**

**1. DESCRIPTION OF THE AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION AND REPORTING ENTITY**

The Auglaize County Regional Planning Commission, Auglaize County, (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 is directed by a fifty four member Board. The Board consists of representatives from participating political subdivisions, the county commissioners, and appointed citizens. The Commission formulates and reviews plans affecting long and short term social, economic, and governmental development within the region. The participating subdivisions are:

Auglaize County	Village of Cridersville	Goshen Township
Buckland Village	Duchouquet Township	Jackson Township
Clay Township	German Township	Logan Township
Village of Minster	Moulton Township	Village of New Bremen
Village of New Knoxville	Noble Township	Pusheta Township
Salem Township	City of St. Marys	St. Marys Township
Union Township	Village of Uniopolis	City of Wapakoneta
Washington Township	Village of Waynesfield	

**Reporting Entity**

A reporting entity is comprised of the primary government, component units and other organizations ensuring that the financial statements are not misleading. The primary government consists of all funds that are not legally separate from the Commission.

**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 Standard Board (FASB) pronouncements and Accounting Principles Board (APB) opinion 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 financial statements, which include a statement of net assets and a statement of activities and fund financial statements providing more detailed financial information.

**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

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

**1. Government-wide Financial Statements**

These statements display information about the Agency as a whole. The government-wide statement of activities compares disbursements with program receipts for each function or program of the Agency'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 Agency is responsible. 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, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each business segment or governmental function is self-financing on a cash basis or draws from the Agency's general receipts.

**2. Fund Financial Statements**

The fund financial statements report more detailed information about the Agency. The focus of governmental fund financial statements is on major funds. Fund statements present each major fund in a separate column and aggregate non-major funds in a single column.

**B. Fund Accounting**

The Commission uses a fund to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain functions or activities. A fund is a fiscal and accounting entity with a self balancing set of accounts. The Commission classifies its fund as governmental.

**1. Governmental Fund**

The Commission classifies the fund financed primarily from member dues as a governmental fund. The following is the Commission's governmental fund:

**General Fund** - The general fund accounts for all financial resources and is available for any purpose provided it is disbursed according to Ohio law.

**C. Basis of Accounting**

The Agency's financial statements are prepared using the cash basis of accounting. 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.

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.

**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

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

**D. Cash and Cash Equivalents**

The County Treasurer is the custodian for the Commission's cash and investments. The County's cash and investment pool holds the Commission's cash and investments, which are reported at the County Treasurer's carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the County.

**E. Inventory and Prepaid Items**

On the cash basis of accounting, inventories of supplies are reported as disbursements when purchased.

**F. Capital Assets**

Acquisitions of property, plant and equipment are recorded as disbursements when paid. The financial statements do not report these items as assets.

**G. Employer Contributions to Cost-Sharing Pension Plans**

The Commission recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 5 and 6, the employer contributions include portions for pension benefits and for postretirement health care benefits.

**H. Net Assets**

The statements report restricted net assets when grantors have imposed limitations on their use. The Commission first applies restricted resources when a disbursement occurs for which both restricted and unrestricted net assets are available. The Commission had no restricted assets.

**3. EQUITY IN POOLED CASH**

The Auglaize County Auditor acts as the fiscal agent for the Commission and the County Treasurer maintains a cash and investment pool used by all County funds. Because of the nature of the pool all County funds are commingled, the risk involved and the preferential claim of the Commission cannot be determined.

The Auglaize County Auditor's records indicated the Commission's cash balance as of December 31, 2008 and 2007 was \$5,781 and \$3,023, respectively.

**4. RISK MANAGEMENT**

**A. Health Insurance**

The Commission's employee is covered under the County's health insurance plan.

**B. County Commissioner Association of Ohio Workers' Compensation Group Rating Plan**

The Commission, through Auglaize County as their fiscal agent, participated in the County Commissioners Association of Ohio Workers' Compensation Group Rating Plan ("the GRP"), an insurance purchasing pool.

**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

**4. RISK MANAGEMENT (Continued)**

The intent of the GRP is to achieve a reduced premium for the County by virtue of its grouping with other participants in the GRP. The workers' compensation experience of the participants is calculated as one experience and a common premium rate is applied to all participants in the Plan. Each participant pays its workers' compensation premium to the State based on the rate for the Plan rather than the individual rate.

The GRP then calculates the total savings which accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from, or pays rate equalization rebates to the various participants. Participation in the plan is limited to counties that can meet the Plans' selection criteria.

**5. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

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 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. Under the combined plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar to the Traditional Pension 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 pension 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 may be obtained by writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

For the year ended December 31, 2008, the members of all three plans were required to contribute 10.0 percent of their annual covered salaries. For the year ended December 31, 2007, the members of all three plans were required to contribute 9.5 percent of their annual covered salaries. The Commission's contribution rate for pension benefits for 2007 was 13.85 percent. The Commission's contribution rate for pension benefits for 2008 was 14.0 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Commission's required contributions for pension obligations to the traditional, combined and member directed plans for the years ended December 31, 2008, 2007 and 2006 were \$132, \$141 and \$97 respectively. 100 percent has been contributed for all years.

**6. POSTEMPLOYMENT BENEFITS**

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan, a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION  
AUGLAIZE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008 AND 2007  
(Continued)**

**6. POSTEMPLOYMENT BENEFITS (Continued)**

OPERS provide retirement, disability, and survivor benefits as well as post-employment health care coverage to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 12. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. Employer contribution rates are expressed as a percentage of the covered payroll of active members. The 2008 local government employer contribution rate was 14.0 percent and 2007 contribution rate was 13.85 percent of covered salaries. For 2008 and 2007; 6.0 percent and 4.5 percent, respectively, of covered payroll was used to fund health care. The Ohio Revised Code provides the statutory authority requiring public employers to fund post-employment health care through their contributions to OPERS.

The assumptions and calculations below were based on OPERS latest actuarial review performed as of December 31, 2006. The individual entry age actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12 percent corridor. The investment assumption rate for 2006 was 6.5 percent. An annual increase of 4.00 percent, compounded annually, is the base portion of the individual pay increase assumption. This assumes the 4.00 percent based increase, were assumed to range from 0.50 percent to 6.30 percent. Health Care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 0.50 percent to 5.00 percent for the next 8 years. In subsequent years, (9 and beyond) health care costs were assumed to increase 4.00 percent (the projected wage inflation rate).

OPEB is advanced-funded on an actuarially determined basis. The Traditional Pension and Combined Plans had 374,979 active contribution participants as of December 31, 2007. The number of active contributing participants for both plans used in the December 31, 2006, actuarial valuation was 362,130.

The amount of \$12 billion represents the actuarial value of OPERS net assets available for OPEB at December 31, 2006. Based on the actuarial cost method used, the Actuarial Valuation as of December 31, 2006, reported the actuarially accrued liability and the unfunded actuarially accrued liability of OPEB at \$30.7 billion and 18.7 billion, respectively.

The Health Care Preservation Plan (HCCP) adopted by the OPERS Retirement Board on September 9, 2004, was effective on January 1, 2007. Member and employer 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.

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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*

Auglaize County Regional Planning Commission  
Auglaize County  
209 South Blackhoof Street  
Wapakoneta, Ohio 45895

To the Board of Commissioners:

We have audited the basic financial statements of the Auglaize County Regional Planning Commission, Auglaize County (the Commission), as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated June 22, 2009, wherein we noted the Commission uses a comprehensive accounting basis other than generally accepted accounting principles. 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 Members of the Board and management. 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

June 22, 2009



**Mary Taylor, CPA**  
Auditor of State

**AUGLAIZE COUNTY REGIONAL PLANNING COMMISSION**

**AUGLAIZE 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  
JULY 14, 2009**