MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2012

Dave Yost • Auditor of State

MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

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INDEPENDENT ACCOUNTANTS' REPORT

Miami Valley Regional Planning Commission
Montgomery County
One South Main Street
Dayton, Ohio 45402

To the Members of the Board of Directors:

We have audited the accompanying financial statements of the governmental activities and each major fund of the Miami Valley Regional Planning Commission, Montgomery County, Ohio (the Commission), as of and for the year ended June 30, 2012, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Miami Valley Regional Planning Commission, Montgomery County, Ohio, as of June 30, 2012, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2012 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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Accounting principles generally accepted in the United States of America require this presentation to include Management's discussion and analysis and budgetary comparison schedules as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the Commission's basic financial statements taken as a whole. The schedules presented on pages 25 through 31 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Federal Awards Expenditures provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The supplementary information is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject pages 25 through 31 to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Dave Yost

Dave Yost
Auditor of State

December 13, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012
UNAUDITED

The discussion and analysis of the Miami Valley Regional Planning Commission's (MVRPC) financial performance provides an overall review of the MVRPC's financial activities for the fiscal year ended June 30, 2012. The intent of this discussion and analysis is to look at the MVRPC's financial performance as a whole; readers should also review the financial statements and the notes to the basic financial statements to enhance their understanding of the MVRPC's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2012 are as follows:

Overall:

- Total net assets increased $158,708 for fiscal year (FY) 2012.
- Total assets of governmental activities decreased by $28,756, primarily due to a decrease in grant receivables. Also, capital assets net of depreciation increased by $25,763.
- General revenues accounted for $463,502 or 12 percent of total revenue. Program revenues in the form of charges for services and operating grants were $3.5 million, which was less than FY2011 primarily because of completing American Recovery and Reinvestment Act (ARRA) grants.
- MVRPC's $3.8 million in expenses were offset by program revenues of $3.5 million, and member dues of $463,053. Membership dues were slightly less than FY2011.

Using the Basic Financial Statements

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 Miami Valley Regional Planning Commission as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole MVRPC, presenting both an aggregated view of the MVRPC's finances and a longer-term view of those statements. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the MVRPC's most significant funds, the General Fund and Special Revenue Fund.

Reporting the MVRPC as a Whole

Statement of Net Assets and the Statement of Activities

The Statement of Net Assets and the Statement of Activities answers the question "How did we do financially during 2012?" These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the MVRPC's net assets and changes in those assets. This change in net assets is important because it shows MVRPC's change in financial results for the year ended June 30, 2012.

In the Statement of Net Assets and the Statement of Activities, MVRPC reports governmental activities. All of MVRPC's activities are considered Governmental activities. They include, but are not limited to, transportation planning, environmental planning, community planning and support services. The MVRPC does not have any business-type activities.

Table 1 provides a summary of the MVRPC's net assets for 2012 and 2011:

Table 1
Statement of Net Assets

Assets:	**2012**	**2011**	**Change**
Current Assets	$3,603,037	$3,657,556	($ 54,519)
Capital Assets Being Depreciated (net)	44,377	18,614	25,763
Total Assets	3,647,414	3,676,170	(28,756)
Liabilities:			
Current Liabilities	304,863	481,717	(176,854)
Long Term Liabilities	148,899	159,509	(10,610)
Total Liabilities	453,762	641,226	(187,464)
Net Assets:			
Investment in Capital Assets, net of related debt	44,377	18,614	25,763
Unrestricted	3,149,275	3,016,330	132,945
Total Net Assets	$3,193,652	$3,034,944	$158,708

The amount by which the MVRPC's assets exceeded its liabilities is called net assets. As of June 30, 2012, the MVRPC's net assets were $3.19 million. Total net assets increased by $158 thousand. MVRPC's long term liabilities decreased by $10 thousand, due to sick leave liability. Current liabilities decreased by $176 thousand, primarily due to decreased accounts payable from grant activity and a small decrease in benefits liability and deferred revenue.

Of the total net asset amount, approximately $44 thousand was invested in net capital assets, net of debt related to those assets. The remaining balance of $3.14 million was unrestricted and available for future use as directed by the MVRPC Board.

Table 2 shows the changes in net assets for fiscal year 2012 compared to 2011.

Table 2
Statement of Activities – Change in Net Assets

Revenues:	**2012**	**2011**	**Change**
Program Revenues:			
Operating Grants	$3,491,685	$3,769,429	($277,744)
General Revenues:			
Membership Dues	463,053	466,444	(3,391)
Miscellaneous	449	602	(153)
Total Revenues	3,955,187	4,236,475	(281,288)
Program Expenses			
General Government	58,592	97,476	(38,884)
Transportation Planning	2,955,281	2,959,385	(4,104)
Environmental Planning	103,411	190,988	(87,577)
Regional Planning	679,195	811,344	(132,149)
Total Expenses	$3,796,479	$4,059,193	($262,714)
Increase in Net Assets	$ 158,708	$ 177,282	($ 18,574)

Total operating grants revenue decreased by $281 thousand from 2011 primarily due to completing American Recovery and Reinvestment Act (ARRA) grants. Environmental planning expenses decreased by $87 thousand due to completing water quality plan updates in FY2011. Regional planning expenses decreased by $132 thousand due completion of an ARRA grant for worker training from the Department of Labor and the National Association of Regional Councils.

MVRPC is extremely dependent upon intergovernmental revenues (federal grants) provided by the federal government through the State of Ohio; approximately 88 percent of the MVRPC's total revenue was received from intergovernmental sources during FY2012. MVRPC has been able to maintain a stable financial position through careful management of expenses. However, MVRPC is vulnerable to changes in federal and state grant programs.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

Reporting the MVRPC's Most Significant Funds

The MVRPC's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual, which measures cash and all other financial assets that can readily be converted to cash within one year. The governmental fund statements provide a detailed short-term view of the MVRPC's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance MVRPC programs. The relationship (or differences) between activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Fund financial reports provide detailed information about the General Fund. The MVRPC uses two funds to account for a multitude of financial transactions. Both of these funds are considered significant.

The Governmental fund (short term) General Fund had total revenue of $0.6 million plus other financing sources of $1.4 million. Expenditures totaled $1.9 million. Governmental general fund balance increased by $122 thousand in 2012 to $3.3 million.

The Special Revenue Fund provides the detail of all federal grants received by MVRPC. The Special Revenue Fund had total revenues of $3.37 million. This was intergovernmental revenues from federal grants, primarily from the U. S. Department of Transportation. The use of these funds had local net matching requirements of $215 thousand. This was provided by the General Fund as operating transfers-in.

General Fund Budgeting Highlights

The MVRPC's budget is prepared on the modified accrual method. The most significant budgeted funds are the General Fund and the Special Revenue Fund.

During the course of fiscal year 2012, the MVRPC amended its budget. The primary budget variance was unspent contract expenses and resulting revenue that will carryover to the next year.

Capital Assets

At the end of fiscal year 2012, the MVRPC had $44,377 net invested in furniture, equipment, and leasehold improvements in governmental activities.

Table 3 shows fiscal year 2012 capital assets balances compared to 2011:

Table 3
Capital Assets at June 30

	2012	2011
Furniture	$69,153	$69,153
Equipment	288,408	289,480
Leasehold Improvements	68,556	68,556
Less: Accumulated Depreciation	(381,740)	(408,575)
Investment in Capital Assets, net of debt	$ 44,377	$18,614

Overall net capital assets increased approximately $25 thousand from fiscal year 2011.

For the Future

The Miami Valley Regional Planning Commission continues to rely primarily on federal grants to finance its planning activities. The majority of these federal grants are provided by the U.S. Department of Transportation through the State of Ohio.

During 2012 the President signed the Transportation Reauthorization Act entitled "Moving Ahead for Progress in the 21st Century" (MAP-21). This Act continues the current transportation authorizations until September 30, 2012. The new MAP-21legislation is effective October 1, 2012 for a two year period expiring September 2014.

The Act is the vehicle by which federal funds are provided to Metropolitan Planning Organizations (MPO). MVRPC is the MPO for this region.

Contacting the MVRPC's Financial Management

This financial report is designed to provide our members, citizens and taxpayers, with a general overview of the MVRPC's finances and to show the MVRPC's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Director of Finance and Administration's Office at Miami Valley Regional Planning Commission, One South Main St. Suite 260, Dayton, Ohio 45402 or call (937) 223-6323.

MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

STATEMENT OF NET ASSETS
AS OF JUNE 30, 2012

Assets:	
Cash	$2,913,798
Accounts Receivable	5,279
Grants Receivable	670,305
Prepaid Expenses	13,655
Capital Assets Being Depreciated (net)	44,377
Total Assets	3,647,414
Liabilities:	
Accounts Payable	106,362
Accrued Personnel Costs	67,542
Deferred Revenues	130,959
Short and Long Term Liabilities:	
Due within one year	20,900
Due in more than one year	127,999
Total Liabilities	453,762
Net Assets:	
Investment in Capital Assets, net of related debt	44,377
Unrestricted	3,149,275
Total Net Assets	$3,193,652

See Accompanying Notes to the Basic Financial Statements.

MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

		Program Revenues	Net (Expenses) Revenues and Change in Net Assets
Governmental Activities:	**Expenses**	**Operating Grants**	**Governmental Activities**
General Government	$58,592	$26,049	($32,543)
Transportation Planning	2,955,281	2,730,631	(224,650)
Environmental Planning	103,411	103,232	(179)
Regional Planning	679,195	631,773	(47,422)
Total Governmental Activities	$3,796,479	$3,491,685	(304,794)
General Revenues:			
Membership Dues			463,053
Miscellaneous			449
Total General Revenues			463,502
Changes in Net Assets			158,708
Net Assets, July 1, 2011			3,034,944
Net Assets, June 30, 2012			$3,193,652

See Accompanying Notes to the Basic Financial Statements.

MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

GOVERNMENTAL FUNDS BALANCE SHEET
AS OF JUNE 30, 2012

	General Fund	Special Revenue Fund	Total Governmental Funds
Assets and Other Debits:			
Cash	$2,904,203	$9,595	$2,913,798
Accounts Receivable	5,279		5,279
Grants Receivable		670,305	670,305
Due From Special Revenue Fund	670,305		670,305
Prepaid Expenses	13,655		13,655
Total Assets and Other Debits	3,593,442	679,900	4,273,342
Liabilities:			
Accounts Payable	106,362		106,362
Accrued Wages & Benefits	67,542		67,542
Due to General Fund		670,305	670,305
Unearned Revenues	121,364	9,595	130,959
Total Liabilities	295,268	679,900	975,168
Fund Balance:			
Non-Spendable	13,655		13,655
Assigned for Future Year's Operation - Members Dues	231,527		231,527
Unassigned	3,052,992		3,052,992
Total Fund Balance	3,298,174		3,298,174
Total Liabilities and Fund Balances	$3,593,442	$679,900	$4,273,342

See Accompanying Notes to the Basic Financial Statements.

MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2012

Total Governmental Fund Balances	$3,298,174
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital Assets used in governmental activities (net)	44,377
The following liabilities are not due and payable in the current period and therefore are not reported in the Governmental funds:	
Compensated absences	(148,899)
Net Assets of Governmental Activities	$3,193,652

See Accompanying Notes to the Basic Financial Statements.

MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2012

	General Fund	Special Revenue Fund	Total Governmental Funds
Revenues:			
Grantor Agency	$95,593	$3,207,073	$3,302,666
Other	26,499	162,969	189,468
Membership Dues	463,053		463,053
Total Revenues	585,145	3,370,042	3,955,187
Expenditures:			
Personnel	1,434,137	1,451,230	2,885,367
Contractual	96,686	878,079	974,765
Other	272,009	472,458	744,467
Indirect Costs	56,871	783,877	840,748
Capital Outlays	42,300		42,300
Total Expenditures	1,902,003	3,585,644	5,487,647
Revenues	(1,316,858)	(215,602)	(1,532,460)
Other Financing Sources (Uses):			
Transfers-In		215,602	215,602
Transfers-Out	(215,602)		(215,602)
Cost Allocation Plan Recoveries	1,654,795		1,654,795
Total Other Financing Sources	1,439,193	215,602	1,654,795
Change in Fund Balances	122,335		122,335
Fund Balance, July 1, 2011	3,175,839		3,175,839
Fund Balance, June 30, 2012	$3,298,174	$0	$3,298,174

See Accompanying Notes to the Basic Financial Statements.

MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

Net Change in fund balances - total governmental funds	$122,335
Amounts reported for governmental activities in the statement of activities are different because:	
Government funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation and disposal exceed capital outlays expense in the current period.	26,357
Loss on the disposition of Capital Assets	(594)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Compensated Absenses	10,610
Changes in net assets of total governmental activities	$158,708

See Accompanying Notes to the Basic Financial Statements.

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Organization

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

By an agreement between MVRPC and the State of Ohio, MVRPC is designated by the State as a Metropolitan Planning Organization, with responsibility for implementing a coordinated, continuing, comprehensive transportation planning process for Greene, Miami, and Montgomery Counties and parts of northern Warren County.

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

From September 2002 through February, 2004, MVRPC conducted a multi-phase Visioning and Strategic Planning Process with the goal of creating a more streamlined, efficient and responsive organization. On September 24, 2003, the new MVRPC Strategic Plan was adopted. Work then began on developing a structure more conducive to implementing the goals of the Strategic Plan. This effort resulted in the creation and adoption of a substantially revised Constitution and Bylaws on February 25, 2004, with implementation to begin on March 24, 2004. Key changes include:

B. Board of Directors

- The Commission and the Transportation Committee are merged into a newly created Board of Directors. County Engineers within the MPO Boundary now are Board members.
- All policy responsibility is vested with the merged body.
- The current weighted voting structure of the Transportation Committee is retained.
- Weighted voting can only be used by the Board of Directors.
- It cannot occur at the initial meeting when the request is made unless ¾ of the members present approve.
- Otherwise, it will occur at the next scheduled meeting.
- Only MPO members located within the MPO Boundary (Greene, Miami, Montgomery counties and part of northern Warren county) can vote on transportation issues.
- ODOT representatives and urban transit operators may be members of the Board and vote on transportation issues.
- Each county's assessment is calculated based on 25% of the total county population; all other governmental members continue to pay a per capita assessment.
- Bylaws can be amended by a majority vote and the process for amending bylaws can be changed by a 2/3 majority vote. (Neither can be subject to weighted voting.)

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Executive Committee

- The previous Board of Directors is now called the Executive Committee.
- The Executive Committee is responsible for handling "routine and emergency" matters.
- Counties (the Commissioners) appoint 5 members, one from each member county.
- Cities and villages appoint 7 members, one of which is the largest city; one member is chosen from each of the MPO counties; and no more than 4 members may be chosen from any one county. These members are chosen annually by caucus of member cities and villages.
- Townships appoint 3 members from counties located within the MPO boundary. No more than one member from the same county may be chosen. These members are selected annually by caucus of member townships
- Non-governmental members appoint 3 members, also chosen annually by caucus.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

MVRPC 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.

1. Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about MVRPC as a whole. These statements include the financial activities of the primary government. The statement of net assets presents the financial condition of the governmental activities of MVRPC at year-end. The government-wide statement of activities presents a comparison between direct expenses and program revenues for each program or function of MVRPC governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of MVRPC, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of MVRPC.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Fund Financial Statements

During the year, MVRPC segregated transactions related to certain organizational functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of MVRPC at this more detailed level. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

B. Fund Accounting

MVRPC uses funds 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 organizational functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of MVRPC are grouped into the governmental category.

1. Governmental Funds

Governmental funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The General Fund and the Special Revenue Grant Fund are the only major funds of MVRPC:

General Fund – The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The general fund contains some small non-federal grants and other funding sources that are available to MVRPC for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Grant Fund – The Special Revenue Grant Fund is used to account for grant and federal contract revenue that is legally restricted to expenditures for specified purposes.

MVRPC has no other funds within the Organization.

C. Measurement Focus

1. Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of MVRPC are included on the Statement of Net Assets.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For MVRPC, available means expected to be received within ninety days of fiscal year end. Non-exchange transactions, in which MVRPC receives value without directly giving equal value in return, include grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which MVRPC must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to MVRPC on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: grants, and investment earnings. Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue. On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported on the operating statement as an expense with a like amount reported as donated commodities revenue.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Property, Plant and Equipment

MVRPC capitalizes at cost all purchased property and equipment costing $1,500 and greater and with a useful life greater than one year. Depreciation is provided on the straight-line method over the estimated useful lives of the assets ranging from 4 to 10 years. Leasehold improvements are amortized over the lesser of the useful life of the asset or term of the lease. Donated property and equipment are recorded at fair market value on date donated. Upon sale or disposition of property and equipment, the cost and related depreciation are removed from the accounts and any gain or loss is recognized.

F. Compensated Absences

MVRPC employees are granted annual leave (vacation) and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated annual leave and employees who retire with 10 or more years of service are eligible for a percentage of accumulated sick leave up to a maximum amount. Sick leave benefits are accrued using the vesting method in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*. An accrual for earned sick leave is reduced to the maximum amount allowed for employees eligible for a retirement termination payment plus a small estimate for some employees short term sick leave use that is expected to be greater than normal.

G. Revenues

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

1. Member Type

Within the MPO planning area	
- Counties – 25% of Total population	$0.46/capita
- Municipalities and Townships	$0.46/capita
Outside the MPO planning area	
- Counties – 25% of Total population	$0.25/capita
- Municipalities and Townships	$0.25/capita
Quasi and Non-governmental bodies	$1000/annual

The total revenue generated from member fees was $463,053.

2. Grant Fund

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Carry-over Grants and Contracts

Several grants continued after June 30, 2012. The amounts available for completing grant objectives for these grant programs are summarized below by funding type. MVRPC's required match for these carry over funds is approximately $56,095.

Type	Amount
Federal Grants	$1,445,393
Other Grants and Contracts	201,893

As discussed in note 4, fringe benefit expenditures are recovered by applying a provisional rate to all programs.

4. Indirect Costs

MVRPC uses an indirect cost rate to recover administrative expenditures. The FY2012 indirect costs were billed at a provisional, of 54.0% of direct labor dollars, including fringe benefits. Also, see note 4.

5. Non-spendable Fund Balance

This designation represents amounts that are not in spendable form and are not expected to be converted to cash such as inventory, pre-paids, and long-term loans and notes receivable.

6. Assigned Fund Balance

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

7. Budgets

Budgets for the general and special revenue fund are prepared annually on a modified accrual method by the staff and approved by the Commission. Budgets are reviewed on an ongoing basis and amendments are proposed as necessary. The amendments are approved by the Executive Committee.

8. Estimates

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

3. LEASE COMMITMENTS

MVRPC entered into a non-cancellable operating lease agreement for office space effective April 1, 2004 through December 31, 2014 and two office equipment leases. One office equipment lease expired by 2012 but MVRPC expects to renegotiate a new lease at a similar amount. Current office lease will expire in 2014 but MVRPC expects to renegotiate a new office space lease. The future minimum lease commitments as of June 30, 2012 are as follows:

Fiscal Year Ended	Office Space	Equipment
2012	$138,871	$5,541
2013	144,034	2,232
2014	144,034	2,232
2015	72,017	2,232

Total rental expense for all equipment and office for the year ended June 30, 2012, was $151,092.

4. COST ALLOCATION PLAN

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

Following are summaries of the accounting treatment and rate experience for fringe benefit and indirect cost for FY2012.

A. Fringe Benefits

Fringe benefit costs are recorded in the general fund and allocated to the special revenue funds in accordance with the approved cost allocation plan, based upon a provisional rate approved by the oversight grantor agency. The FY2012 fringe benefit costs were allocated at a provisional rate of 60.0% of productive direct and indirect labor dollars. The actual fringe benefit cost rate was 63.912%. Per the agreement with ODOT, the provisional rate was adjusted to actual and the adjustment is reflected in the financial statements.

B. Indirect Costs

Administrative costs are recorded in the general fund as indirect costs and allocated to the special revenue funds in accordance with the approved cost allocation plan, based upon a provisional rate approved by the over-site grantor agency. The FY2012 indirect costs were allocated at a provisional rate of 54.0% of direct labor dollars, including fringe benefits. The actual indirect cost rate was 54.015%. Per the agreement with ODOT, the provisional rate was adjusted to actual and the adjustment is reflected in the financial statements.

5. CONTINGENCIES

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

6. INTERFUND ACTIVITY

As of June 30, 2012 there was an Interfund Receivable of $670,305 in the General Fund and an Interfund Payable of $670,305 in the Special Revenue Fund. The due to represents amounts for grants receivable at June 30, 2012 from various Federal and State grants.

During the year ended June 30, 2012 the General Fund transferred $215,602 to the Grant Fund to provide local matching funds associated with federal grant programs.

7. CASH AND INVESTMENTS

Pooled Cash

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

8. DEFINED BENEFIT PENSION PLANS

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

Ohio Public Employees Retirement System (the “OPERS”)

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

All employees of the Commission, participate in the Ohio Public Employees Retirement System (OPERS), a cost sharing, multiple employer defined benefit pension plan.

A. Ohio Public Employees Retirement System (OPERS) administers three separate pension plans as described below:

1. The Traditional Pension Plan –a cost sharing, multiple-employer defined benefit pension plan.

2. The Member-Directed Plan –a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.

8. DEFINED BENEFIT PENSION PLANS (Continued)

3. The Combined Plan –a cost sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

B. 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.

C. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

D. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting https://www.opers.org/investments/cafr.shtml, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601or 800-222-7377.

E. The Ohio Revised Code provides statutory authority for member and employer contributions. For FY2012, member and employer contribution rates were consistent across all three plans. The FY2012 member contribution rates were 10.0% of covered payroll for members in state and local classifications. The FY2012 employer contribution rate for state and local employers was 14.00% of covered payroll.

F. The Commission's required contributions for the periods ended June 30, 2012, 2011, and 2010 were $226,920, $220,035, and $208,038 respectively. In 2003, the Commission implemented a Fringe Benefit Pickup plan for the entire employee contribution for certain classes of employees. The Commission's contributions in 2012 under this plan were $14,947.

9. OTHER POST-EMPLOYMENT BENEFITS

A. Plan Description

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.

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, 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 45.

9. OTHER POST-EMPLOYMENT BENEFITS (Continued)

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.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting https://www.opers.org/investments/cafr.shtml, writing OPERS, 277 East Town Street, Columbus OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

B. Funding Policy

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2012, state and local employers contributed at a rate of 14.00% of covered payroll. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits.

The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0% from July 1 through December 31, 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% from July 1 through December 31, 2011. The portion of employer contributions allocated to health care for the calendar year beginning January 1, 2012 remained the same, but they are subject to change based on Board action. Employers will be notified if the portion allocated to health care changes during calendar year 2012. The OPERS Board of Trustees is also authorized to establish rules for the retiree, or their surviving beneficiaries, to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

C. The MVRPC's contributions allocated to fund post-employment health care benefits for the years ended June 30, 2012, 2011, 2010 were $68,831, 78,575, and $39,382, respectively.

D. OPERS Retirement Board Implements its Health Care Preservation Plan.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning January 1, 2006, with a final rate increase January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

10. CAPITAL ASSETS

	Balances at 6/30/0011	Additions	Deletions	Balances at 6/30/0012
Capital Assets:				
Furniture and Fixtures	$ 69,153			$69,153
Equipment	289,480	$42,300	($43,372)	288,408
Leasehold Improvements	68,556			68,556
Total Capital Assets	427,189	42,300	(43,372)	426,117
Accumulated Depreciation:				
Furniture and Fixtures	69,153			69,153
Equipment	270,866	15,943	(42,778)	244,031
Leasehold Improvements	68,556			68,556
Total Accumulated Depreciation	408,575	15,943	(42,778)	381,740
Total Capital Assets, net	$ 18,614	$26,357	($ 594)	$44,377

11. SHORT and LONG TERM OBLIGATIONS

The following is a summary of long-term obligations for the year ended June 30, 2012

	Outstanding 06/30/2011	Increases	Decreases	Outstanding 06/30/2012	Amount Due Within One Year
Compensated absences	$159,509	$189,131	$199,741	$148,899	$20,900
Total Long Term Obligations	$159,509	$189,131	$199,741	$148,899	20,900

Obligations will be paid from the fund from which the employees' salaries are paid.

12. PROPERTY AND INSURANCE

The Commission is exposed to various risk of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2012, the Commission contracted with The Hartford Insurance Company and National Union Fire Insurance Company for the following insurance coverage:

Business personal property	$ 955,000
Computer equipment	200,000
Comprehensive general liability	4,000,000
Valuable papers	200,000
Business auto coverage	2,000,000
Public officials & employee liability	1,000,000

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

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MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual General Fund	Variance Favorable (Unfavorable)
Revenues:				
Grantor Agency	$147,354	$172,662	$95,593	($77,069)
Other	70,200	36,163	26,499	(9,664)
Membership Dues	467,621	462,803	463,053	250
Total Revenues	685,175	671,628	585,145	(86,483)
Expenditures:				
Personnel	1,201,459	1,161,190	1,434,137	(272,947)
Contractual	216,061	251,363	96,686	154,677
Other	413,555	314,778	272,009	42,769
Indirect Costs	60,419	61,818	56,871	4,947
Capital Outlays	45,000	45,000	42,300	2,700
Total Expenditures	1,936,494	1,834,149	1,902,003	(67,854)
Excess of Expenditures Over Revenues	(1,251,319)	(1,162,521)	(1,316,858)	(154,337)
Other Financing Sources (Uses):				
Transfers-Out	(254,722)	(223,387)	(215,602)	7,785
Cost Allocation Plan Recoveries	1,506,041	1,385,908	1,654,795	268,887
Total Other Financing Sources	1,251,319	1,162,521	1,439,193	276,672
Change in Fund Balances			122,335	122,335
Fund Balance, July 1, 2011	3,175,839	3,175,839	3,175,839	
Fund Balance, June 30, 2012	$3,175,839	$3,175,839	$3,298,174	$122,335

MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

GOVERNMENTAL FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Special Revenue Fund	Variance Favorable (Unfavorable)
Revenues:				
Grantor Agency	$3,787,935	$3,306,130	$3,207,073	($99,057)
Other	181,491	171,005	162,969	(8,036)
Membership Dues				
Total Revenues	3,969,426	3,477,135	3,370,042	(107,093)
Expenditures:				
Personnel	1,579,917	1,447,091	1,451,230	(4,139)
Contractual	1,224,625	887,091	878,079	9,012
Other	566,453	584,909	472,458	112,451
Indirect Costs	853,153	781,431	783,877	(2,446)
Capital Outlays				
Total Expenditures	4,224,148	3,700,522	3,585,644	114,878
Excess of Expenditures Over Revenues	(254,722)	(223,387)	(215,602)	7,785
Other Financing Sources (Uses):				
Transfers-In	254,722	223,387	215,602	(7,785)
Total Other Financing Sources	254,722	223,387	215,602	(7,785)
Change in Fund Balances				
Fund Balance, July 1, 2011				
Fund Balance, June 30, 2012	$0	$0	$0	$0

MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

SCHEDULE OF GENERAL CAPITAL ASSETS
JUNE 30, 2012

Capital Assets:	
Furniture and Fixtures	$69,153
Equipment	288,408
Leasehold Improvements	68,556
Total Capital Assets	426,117
Less: Accumulated Depreciation	(381,740)
Total Capital Assets, net	44,377
Investment in Capital Assets:	
General Fund	358,519
Special Revenue Funds	67,598
Total Investment in Capital Assets	426,117
Less: Accumulated Depreciation	(381,740)
Total Investment in Capital Assets, net	44,377
Less lease liability	
Total Investments in Capital Assets, net of liability	$44,377

MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

SCHEDULE OF FRINGE BENEFIT COST POOL CHARGES, RATE BASE, FINAL RATE COMPUTATION AND CURRENT YEAR'S RECOVERY COMPARISON
FOR THE YEAR ENDED JUNE 30, 2012

Fringe Benefit Cost Pool Charges:	
Public Employees Retirement System Contributions	$226,920
Health Insurance Premiums	245,762
Life Insurance Premiums	1,271
Workers' Compensation Premiums	20,084
Unemployment Insurance	2,934
F.I.C.A. (Medicare) Expenses	21,816
Sick Leave Pay	54,547
Holiday Pay	62,661
Vacation, Personal and Other Leave	145,352
Waived Health Premiums	5,040
Health administration	2,200
Employee parking	25,460
Total Fringe Benefit Cost Pool Charges	814,047
Fringe Benefit Cost Rate Base:	
Salaries	1,273,696
Final Fringe Benefit Cost Rate Computation:	
Total Fringe Benefit Cost Pool Charges	814,047
Divided By: Total Fringe Benefit Cost Rate Base	1,273,696
Equals - Final Fringe Benefit Cost Rate	1
Current Year's Cost Recovery Comparison:	
Fringe Benefit Costs Recovered @ provisional rate of 60.0%	764,218
Fringe Benefits Over Recovered using Provisional Rate	(49,829)
Fringe Benefit Costs Recovered @ final rate of 63.912%	814,047
Total Fringe Benefit Cost Pool Charges	814,047
Final Over (Under) Recovered Costs	$0

MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

SCHEDULE OF INDIRECT COST POOL CHARGES, RATE BASE, FINAL RATE COMPUTATION AND CURRENT YEAR'S RECOVERY COMPARISON
FOR THE YEAR ENDED JUNE 30, 2012

Indirect Cost Pool Charges:	
Salaries	$324,091
Allocated Fringe Benefits (63.912%)	207,134
Contractual Services	25,988
Communication and Supplies	12,772
Rents and Rentals	145,849
Utilities	31,889
Travel	1,485
Maintenance and Repairs	12,690
Hardware / software agreements	49,110
Allowance for Depreciation	15,619
Audit / legal	14,121
Total Indirect Costs	840,748
Indirect Cost Rate Base:	
Direct Salaries	949,604
Allocated Fringe Benefits 63.912%	606,914
Total Indirect Cost Rate Base	1,556,518
Final Indirect Cost Rate Computation:	
Total Indirect Cost Pool Charges	840,748
Divided By: Total Indirect Cost Rate Base	1,556,518
Equals - Final Indirect Cost Rate	1
Current Year's Cost Recovery Comparison:	
Indirect Cost Recovered @ Provisional Rates 54.0% / 54.015%	
Direct Salaries	949,604
Direct FB @ provisional rate 54.0%	512,786
Provision rate base	1,462,390
Recovery using Provision rate base	789,905
Over (Under) recovered @ provisional basis	(50,843)
Indirect Cost Recovered @ Provisional Rates 54.0%/ 54.015%	
Direct Salaries	949,604
Direct FB @ actual rate 63.912%	606,914
Provision rate base	1,556,518
Recovery using actual rate base @ 54.015%	840,748
Over (Under) recovered @ actual basis	$0

MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

SCHEDULE OF COSTS FOR FEDERAL HIGHWAY ADMINISTRATION,
OHIO DEPARTMENT OF TRANSPORTATION, DEPARTMENT OF LABOR AND OHIO EPA BY WORK ELEMENT
YEAR ENDED JUNE 30, 2012

Work Element	Project Description	Personnel	Fringe Benefits	Contractual	Other	Indirect Costs	Total
601	Safety Study FY09				($7.00)		($7.00)
	Safety Study FY10	$11,186.00	$7,149.00		344.50	$9,903.00	28,582.27
	Transit & HS Trans FY10				0.09		0.09
	Transit & HS Trans FY11	7,265.00	4,643.22		(439.40)	6,432.18	17,901.00
	Fed & St Legislation Regs	4,883.60	3,121.22			4,323.78	12,328.60
	Urban Freight & Rail FY11			$300.00			300.00
	Air Qlty/Access Control FY12	19,468.63	12,442.83		179.01	17,236.87	49,327.34
	Transit & HS Trans FY12	16,349.58	10,449.38		646.58	14,475.37	41,920.91
	601 Total	59,152.35	37,805.58	300.00	723.51	52,371.50	150,352.94
602	TIP Project Management FY10	11,326.09	7,238.76		(557.71)	10,027.74	28,034.88
	TIP SFY 08-11 & Admendments	17,242.50	11,020.06		(973.58)	15,265.93	42,554.91
	TIP Project Management FY11	56,139.96	35,880.29		1,137.26	49,704.43	142,861.94
	TIP SFY 12-15 & Admendments	38,834.29	24,819.86		1,301.37	34,382.57	99,338.09
	602 Total	123,542.84	78,958.97		907.34	109,380.67	312,789.82
605	GIS Support				(7.11)		(7.11)
	Transportation Databases FY10				(42.25)		(42.25)
	Transportation Database FY11	22,514.17	14,389.31		(1,040.66)	19,933.29	55,796.11
	GIS Support FY11	35,124.53	22,448.87		(2,063.63)	31,098.08	86,607.85
	Transportation Database FY12	52,562.97	33,594.16		7,659.88	46,537.48	140,354.49
	GIS Support FY12	107,776.88	68,882.60		5,557.18	95,422.02	277,638.68
	605 Total	217,978.55	139,314.94		10,063.41	192,990.87	560,347.77
610	Landuse - STP FY10	19,621.79	12,540.72			17,372.47	49,534.98
	LRP Suppl Research FY10				(0.38)		(0.38)
	LRP Update FY10				4.97		4.97
	LRP Update FY11	17,677.00	11,297.76		(1,069.25)	15,650.62	43,556.13
	LRP Suppl. Research FY11	25,747.20	16,455.61		(578.41)	22,795.70	64,420.10
	LRP Update FY12	101,588.26	64,927.31		17,367.92	89,942.82	273,826.31
	LRP Suppl. Research FY12	80,402.84	51,387.24		20,236.87	71,185.96	223,212.91
	610 Total	245,037.09	156,608.64		35,961.72	216,947.57	654,555.02
625	Public Service				1.06		1.06
	Public Service FY11	1,648.72	1,053.73		(99.73)	1,459.72	4,062.44
	Public Involv. & MR FY12	33,541.38	21,437.04	837.50	9,700.75	29,696.41	95,213.08
	Public Service FY12	4,595.14	2,936.86		100.20	4,068.38	11,700.58
	625 Total	39,785.24	25,427.63	837.50	9,702.28	35,224.51	110,977.16
665.11	Senior Trans Serv Mot Co FY11	9,830.38	6,282.81	7,007.00	(1,643.58)		21,476.61
665.12	Senior Trans Serv GDRTA				1,696.48	8,703.48	10,399.96
665.14	Senior Trans Svc - GDAHA FY08			792.00			792.00
	665 Total	9,830.38	6,282.81	7,799.00	52.90	8,703.48	32,668.57
667.1	WPAFB Project Support				1,020.46		1,020.46
	Rideshare FY11	1,600.23	1,022.74		14,774.29	1,416.79	18,814.05
	Rideshare - FY08				2,663.00		2,663.00
	Van Pool - FY2011			150,975.91			150,975.91
	Rideshare FY12	24,716.47	15,796.84	13,775.00	252,348.45	21,883.13	328,519.89
	Van Pool - Fy2012	163.76	104.66		18.36	144.99	431.77
667.2	Enhanced AQ Forecasting			80,000.00	7,000.00		87,000.00
	AQ Awareness Prog FY11	3,465.10	2,214.62		10,084.59	3,067.88	18,832.19
	AQ Awareness Prog FY12	22,023.56	14,075.75	12,500.00	123,875.18	19,498.92	191,973.41
667.3	Alternative Trans. FY10				120.00		120.00
	Alternative Trans. FY11	383.39	245.03		51.96	339.44	1,019.82
	Reg. Cooperative Effort FY11	25,228.20	16,123.90		215.16	22,336.20	63,903.46
	Alternative Trans. FY12	37,886.02	24,213.80	18,427.00	3,493.52	33,543.01	117,563.35
	667 Total	115,466.73	73,797.34	275677.91	415,664.97	102,230.36	982,837.31
674.12	Public Transit Admin FY10 - FTA	13,323.31	8,515.22	(775.46)		11,796.01	32,859.08
	Public Transit Admin. FY11 - FTA	7,708.81	4,926.87	777.49		6,825.12	20,238.29
695	Transportation Prog Admin FY12	35,324.21	22,576.49		450.55	31,274.87	89,626.12
901	Pathways Out Of Poverty - NARC	12,127.70	7,751.08	601,263.32	(106.95)	10,737.46	631,772.61
	Regional Bike Central Web Site			8,029.20			8,029.20
OEPA	Ohio WQ FPA	1,605.62	1,026.19		10.66	1,421.56	4,064.03
	WQ 604 (b) Activities	15,923.17	10,176.85		109.70	14,097.84	40,307.56
	Grand Totals	$896,806	$573,169	$893,909	$473,540	$794,002	$3,631,425

Officers and Executive Committee
as of June 30, 2012

MVRPC Officers:

Name	Organization	Title
Michael Beamish, Chair	Troy	Mayor
Jan Vargo, First Vice-Chair	Huber Heights	Council Member
Carol Graff, Second Vice-Chair	Beavercreek Township	Trustee

Executive Committee Members:

Name	Organization	Title
Alan Anderson	Greene County	Commissioner
John Beals	Centerville	Council Member
Janet Bly	Miami Conservancy District	General Manager
Willa Bronston	Jefferson Township	Trustee
Judy Dodge	Montgomery County	Commissioner
Dolores Gillis	Tipp City	Council Member
Arthur Haddad	Troy Chamber of Commerce	Chairman
Rap Hankins	Trotwood	Council Member
Jerome Hirt, Sr.	Bethel Twp.	Trustee
Brian Jarvis	Beavercreek	Council Member
Matt Joseph	Dayton	Commissioner
Chris Mucher	Miami Twp.- Greene County	Trustee
Thomas Nagel	Fairborn	Mayor
John O'Brien	Miami County	Commissioner
Woodrow Stroud	Greene County Transit Board	Board Member
William Vogt	Piqua	City Commissioner
David Wesler	Preble County	Commissioner

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MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE FISCAH YEAR ENDED JUNE 30, 2012

Pass-Through Grantor/ Program Title	Grant Number or Description	Federal CFDA Number	Expenditures
U. S. Department of Labor			
Pass-through, National Association of Regional Councils			
ARRA - Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors	Pathways out of Poverty Grant - ARRA	17.275	$631,773
Total U.S. Department of Labor			631,773
U. S. Environmental Protection Agency			
Pass-Through, Ohio Environmental Protection Agency			
Water Quality Management Planning	604(b) Water Quality Planning Facility Planning Area	66.454	40,308
Total U.S. Environmental Protection Agency			40,308
U. S. Department of Transportation			
Pass-Through, Ohio Department of Transportation			
Highway Planning and Construction			
	Atlernative Trans & Air Qlt Aware FY 2010	20.205	120
	Atlernative Trans & Air Qlt Aware FY 2011	20.205	19,852
	Atlernative Trans & Air Qlt Aware FY 2012	20.205	396,536
	Consolidated Planning FY 2011	20.205	252,159
	Consolidated Planning FY 2012	20.205	1,051,589
	Landuse Transp. Plans	20.205	49,535
	Rideshare / Van Pool FY 2008	20.205	2,663
	Rideshare / Van Pool FY 2011	20.205	169,790
	Rideshare FY 2012	20.205	328,520
	Supplemental Planning	20.205	210,699
	Van Pool FY 2012	20.205	432
Total Highway Planning and Construction			2,481,895
Public Transit Human Services Trans. Plan	Job Access and Reverse Commute	20.516	31,388
	New Freedom	20.521	21,709
Total Public Transit Human Services Trans. Plan			53,097
Total Department of Transportation			2,534,992
Total Expenditures of Federal Awards			$3,207,073

Note: This Schedule of Expenditures of Federal Awards was prepared using the accrual basis method of accounting.

NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 2012

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) reports the Miami Valley Regional Planning Commission's (the Commission's) federal award programs' disbursements. The Schedule has been prepared on an accrual basis.

NOTE B – SUB-RECIPIENTS

The Commission passes certain federal awards received from National Association of Regional Councils to other governments or not-for-profit agencies (sub-recipients). As Note A describes, the Commission reports expenditures of Federal awards to sub-recipients when paid in cash.

As a sub-recipient, the government has certain compliance responsibilities, such as monitoring its sub-recipients to help assure they use these sub-awards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that sub-recipient achieves the award's performance goals.

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require the Commission to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Commission has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

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

Miami Valley Regional Planning Commission
Montgomery County
One South Main Street
Dayton, Ohio 45402

To the Members of the Board of Directors:

We have audited the financial statements of the governmental activities and each major fund of Miami Valley Regional Planning Commission, Montgomery County, Ohio (the Commission) as of and for the year ended June 30, 2012, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated December 13, 2012. 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 the purpose of expressing our opinion on the financial statements, but not for the purpose of opining 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 *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 management, Board of Directors, Executive Committee and federal awarding agencies and pass-through entities and others within the Commission. We intend it for no one other than these specified parties.

Dave Yost

Dave Yost
Auditor of State

December 13, 2012

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Miami Valley Regional Planning Commission
Montgomery County
One South Main Street
Dayton, Ohio 45402

To the Members of the Board of Directors:

Compliance

We have audited the compliance of Miami Valley Regional Planning Commission, Montgomery County, Ohio, (the Commission) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the Miami Valley Regional Planning Commission's major federal programs for the year ended June 30, 2012. The *summary of auditor's results* section of the accompanying schedule of findings identifies the Miami Valley Regional Planning Commission's major federal programs. The Commission's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to opine on the Commission's compliance based on our audit.

Our compliance audit followed auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the Commission's compliance with these requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Commission's compliance with these requirements.

In our opinion, the Miami Valley Regional Planning Commission complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

The Commission's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Commission's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Commission's internal control over compliance.

**Internal Control Over Compliance
(Continued)**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

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

We intend this report solely for the information and use of the management, Board of Directors, Executive Committee, others within the entity, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

Dave Yost
Auditor of State

December 13, 2012

MIAMI VALLEY REGIONAL PLANNING COMMISSION
MONTGOMERY COUNTY

SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2012

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	**Unqualified**
(d)(1)(ii)	**Were there any material control weaknesses reported at the financial statement level (GAGAS)?**	**No**
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	**No**
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	**No**
(d)(1)(iv)	**Were there any material internal control weaknesses reported for major federal programs?**	**No**
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	**No**
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	**Unqualified**
(d)(1)(vi)	**Are there any reportable findings under § .510(a)?**	**No**
(d)(1)(vii)	**Major Programs (list):**	CFDA# 20.205 – Highway Planning and Construction CFDA# 17.275 – ARRA Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 300,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee?**	**Yes**

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

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Dave Yost · Auditor of State

MIAMI VALLEY REGIONAL PLANNING COMMISSION

MONTGOMERY COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JANUARY 22, 2013