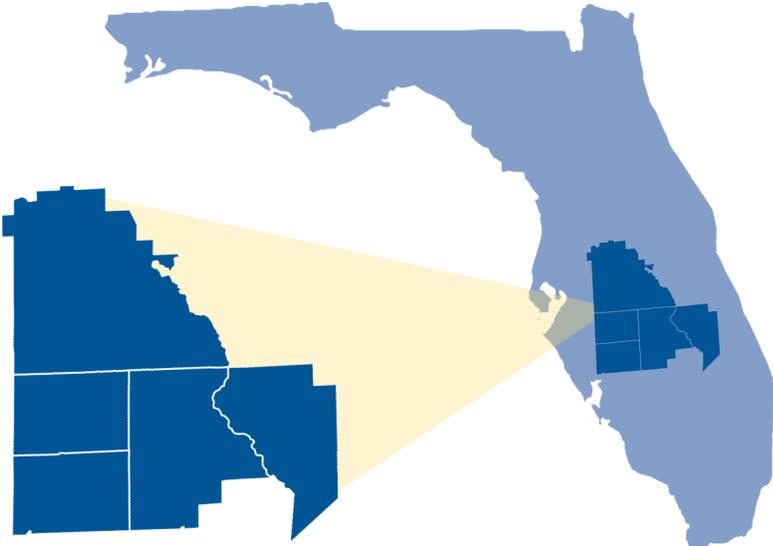


CENTRAL FLORIDA REGIONAL PLANNING COUNCIL

AUDITED FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

SERVING DESOTO, HARDEE, HIGHLANDS,
OKEECHOBEE AND POLK COUNTIES



CENTRAL FLORIDA
REGIONAL PLANNING COUNCIL

FINANCIAL STATEMENTS
and
AUDITORS' REPORTS

for the
FISCAL YEAR ENDED
SEPTEMBER 30, 2012

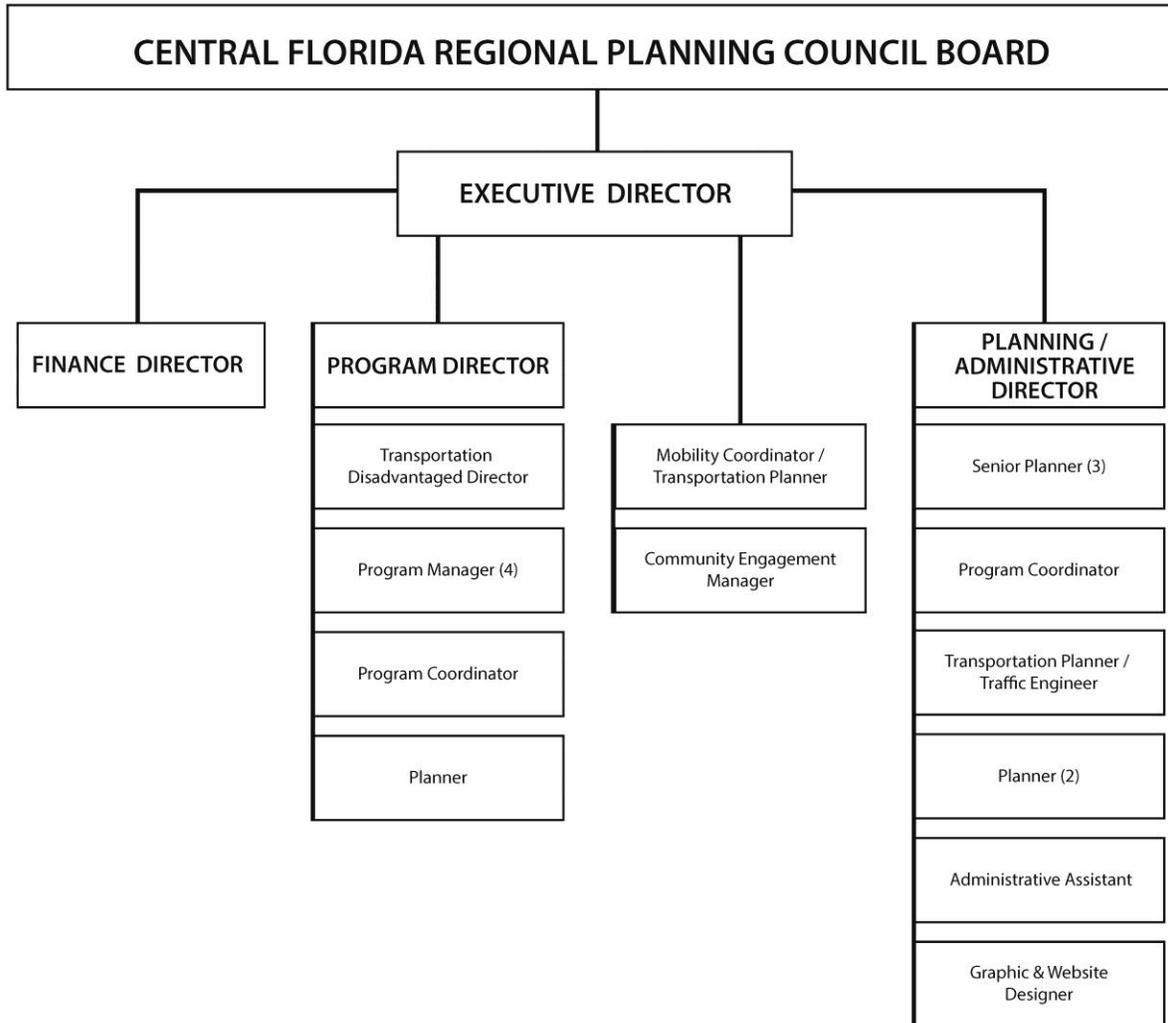
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**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
COUNCIL MEMBERS
As of September 30, 2012**

<u>Council Member and Position</u>	<u>Executive Committee Member</u>	<u>Elected or Non- Elected Official</u>
Pat Huff, Chairman Ridge League of Cities Appointee City of Bartow Commission	Yes	Elected
Minor Bryant, Vice Chairman Hardee County Commission	Yes	Elected
Buddy Mansfield DeSoto County Commission	Yes	Elected
Keith Keene Arcadia City Council	No	Elected
Jacqueline Tucker DeSoto Gubernatorial Appointee	Yes	Non-Elected
Patrica Detwiler Wauchula City Council	No	Elected
Chet Huddleston Hardee County Gubernatorial Appointee	No	Non-Elected
Barbara Stewart Highlands County Commission	Yes	Elected
Andrew J. Fells Sebring City Council	No	Elected
Andy Tuck Highlands County Gubernatorial Appointee Highlands County School Board Member	No	Non-Elected
Bryant Culpepper Okeechobee County Commission	Yes	Elected
Clayton Williams Okeechobee City Council	Yes	Elected
Elvie Posey Okeechobee County Gubernatorial Appointee	Yes	Non-Elected
Todd Dantzler Polk County Commission	No	Elected
Edith Yates City of Lakeland Commission	Yes	Elected
Pete Chichetto Winter Haven City Commission	No	Elected
Dr. Marshall Goodman Polk County Gubernatorial Appointee	No	Non-Elected
Linda Pilkington Polk County Gubernatorial Appointee	No	Non-Elected

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
ORGANIZATIONAL CHART
As of September 30, 2012**



INDEPENDENT AUDITORS' REPORT

To the Council
Central Florida Regional Planning Council
Bartow, Florida

We have audited the accompanying financial statements of the governmental activities and the major fund of Central Florida Regional Planning Council as of and for the year ended September 30, 2012, as listed in the table of contents. These financial statements are the responsibility of the Central Florida Regional Planning Council'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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 the major fund of Central Florida Regional Planning Council, as of September 30, 2012, and the changes in financial position and the budgetary comparison for the major fund 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 January 4, 2013, on our consideration of the Central Florida Regional Planning Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

To the Council
Central Florida Regional Planning Council

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 10 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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 assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Central Florida Regional Planning Council's financial statements as a whole. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The schedule of expenditures of federal awards and state financial assistance is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Central Florida Regional Planning Council's financial statements as a whole. The supplementary information on pages 24 through 25 is presented for purposes of additional analysis and is not a required part of the financial statements. The supplementary information on pages 24 through 25 has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



CliftonLarsonAllen LLP

Lakeland, Florida
January 4, 2013

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2012**

The Management's Discussion and Analysis section is a narrative overview and analysis of the financial activities for the Central Florida Regional Planning Council (the Council) for the fiscal year ended September 30, 2012. Readers are encouraged to read the Management's Discussion and Analysis in conjunction with the Council's audited financial statements and other supplementary information.

Financial Highlights for the Year Ended September 30, 2012

- The assets of the Council exceeded liabilities at the close of the fiscal year by \$1,669,182. Unrestricted net assets totaled \$965,469 and may be used to meet the Council's ongoing obligations. The remaining net assets are invested in capital assets, which were \$703,713 and are comprised of the Council's property and equipment net of accumulated depreciation.
- There was an increase in net assets of \$135,551, which is the amount by which total revenues exceeded total expenses.
- The Council invested a total of \$106,633 in new vehicles, furniture, operating equipment and computer equipment.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Council's basic financial statements. The Council's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The presentation of government-wide financial statements reconciled with fund financial statements gives the reviewer two different perspectives of the Council's financial activities. In addition to the basic financial statements, other supplementary information is provided which is intended to enhance the understanding of the financial activities of the Council.

Government-wide Financial Statements

The government-wide financial statements are designed to provide reviewers with a broad overview of the Council's finances in a manner similar to a private-sector business and can be found on pages 11 and 12 of this report. The government-wide financial statements provide short and long-term information about the Council's financial status as a whole. These statements are reported on the accrual basis of accounting.

The Statement of Net Assets presents information on all of the Council's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating.

The Statement of Activities presents information showing how the Council's net assets changed during the fiscal year presented. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2012**

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been grouped together for specific activities or objectives. The Council, like state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements such as Florida Statutes or the Council's interlocal agreement.

Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on short-term inflows and outflows of resources, as well as on balances of available resources at the end of the fiscal year.

The Council maintains one governmental fund, the General Fund. The General Fund Balance Sheet includes only short-term assets and liabilities. The General Fund Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual includes capital outlay expenditures and excludes depreciation expense and changes in certain long-term liabilities.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the government's near-term financing decisions. Reconciliations of the fund financial statements to the government-wide financial statements can be found on pages 14 and 16 of this report.

The Council adopts an annual budget each fiscal year for the General Fund. To demonstrate compliance with the adopted budget, the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual shows the variance between the final budget and actual revenues and expenditures. Changes to the original budget and actual variances from the final budget are discussed in the Budgetary Highlights section on page 10.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are located on pages 17 through 23 of this report.

Additional Information

Additional information about the Council, which may be of interest to the reviewer, is found under the Management Letter section of this report.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2012**

Government-Wide Financial Analysis

The following schedule provide a summary of assets, liabilities and net assets and changes in net assets of the Council and the change in the ending balances from the prior year.

	<u>2012</u>	<u>2011</u>	Increase (Decrease)
Current and other assets	\$ 1,437,633	\$ 1,430,453	\$ 7,180
Capital assets	703,713	754,387	(50,674)
Total assets	<u>2,141,346</u>	<u>2,184,840</u>	<u>(43,494)</u>
Liabilities	<u>472,164</u>	<u>651,209</u>	<u>(179,045)</u>
Invested in capital assets	703,713	754,387	(50,674)
Unrestricted	965,469	779,244	186,225
Total net assets	<u>\$ 1,669,182</u>	<u>\$ 1,533,631</u>	<u>\$ 135,551</u>

Assets and Liabilities and Net Assets

At September 30, 2012, the Council reported assets in the amount of \$2,141,346. A significant portion of the Council's assets are classified as Current and other assets. Current and other assets at year end included cash of \$708,918, receivables of \$650,246, unbilled revenue of \$44,892, prepaid expenses of \$25,574 and investments valued at \$8,003. The increase in current assets is attributable to an increase in available cash at the end of the fiscal year.

The remaining assets, in the amount of \$703,713, are the Council's investment in capital assets. Capital assets of the Council include building, computer equipment, furniture, operating equipment, and vehicles. Additions to capital assets for the fiscal year totaled \$106,633 and the addition to accumulated depreciation was \$145,405. Capital assets are not available for future spending.

The Council reported liabilities totaling \$472,164, which are comprised of \$397,743 of expenses to be paid and \$74,422 of deferred revenues. The decrease in current liabilities is attributable to a decrease in year-end accounts payable.

Net assets may serve over time as one useful indicator of a government's financial condition. The Council's total net assets increased by \$135,551 for the fiscal year ended September 30, 2012. The following schedule provides a detail of the increase net assets for the fiscal year.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2012**

	<u>2012</u>	<u>2011</u>	<u>Increase (Decrease)</u>
Expenses:			
General Government:			
Salaries and fringe benefits	\$ 1,613,383	\$ 1,172,169	\$ 441,214
Consultants	836,773	695,319	141,454
Transportation for the disadvantaged	904,610	690,417	214,193
Accounting and payroll services	1,725	1,052	673
Advertising	2,135	5,317	(3,182)
Audit	20,350	20,350	-
Auto	16,660	15,528	1,132
Building security	434	434	-
Dues and fees	25,439	18,252	7,187
Equipment expense	23,598	21,575	2,023
File management	3,685	1,994	1,691
Insurance	24,257	17,720	6,537
Janitorial	7,699	8,348	(649)
Legal	25,200	24,000	1,200
Meeting expense	11,389	2,652	8,737
Office supplies	15,237	35,344	(20,107)
Postage and delivery	4,480	5,806	(1,326)
Printing	7,746	1,468	6,278
Repair and maintenance	5,192	5,894	(702)
Subscriptions and publications	454	605	(151)
Technology supplies	15,749	-	15,749
Telephone	12,264	7,385	4,879
Travel and registration fees	54,836	37,261	17,575
Utilities	11,529	11,177	352
Depreciation	145,405	177,120	(31,715)
Loss on disposal of capital assets	687	-	687
Total program expenses	<u>3,790,916</u>	<u>2,977,187</u>	<u>813,729</u>
Program Revenues:			
Charges for services	1,068,762	675,236	393,526
Federal operating grants	2,318,768	1,661,927	656,841
Federal capital grants	66,243	99,153	(32,910)
State operating grants	249,589	310,037	(60,448)
Total program revenues	<u>3,703,362</u>	<u>2,746,353</u>	<u>957,009</u>
Net program expenses	<u>(87,554)</u>	<u>(230,834)</u>	<u>143,280</u>
General Revenues:			
Member assessments	200,868	196,718	4,150
Interest income	1,245	2,323	(1,078)
Gain/(Loss) on investment in state pool	1,173	626	547
Gain on disposal of capital assets	7,784	-	7,784
Other income	12,035	11,100	935
Total general revenues	<u>223,105</u>	<u>210,767</u>	<u>12,338</u>
Increase (Decrease) in net assets	135,551	(20,067)	155,618
Net assets - beginning of the year	1,533,631	1,553,698	(20,067)
Net assets - end of the year	<u>\$ 1,669,182</u>	<u>\$ 1,533,631</u>	<u>\$ 135,551</u>

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2012**

Revenues

Total revenues for fiscal year 2012 were \$3,926,467, which was an increase of approximately 33% from \$2,957,120 in fiscal year 2011.

Member assessments, charges for services and other local revenue accounted for approximately 33% of the Council's total revenue in fiscal year 2012, which increased from 30% in fiscal year 2011. Member assessments are calculated at 25 cents per capita for each member county, with capita based on BEBR's annual population estimates. Member Assessments increased from 2011 by approximately 2% or \$4,150. Other sources of local revenue include fees for Development of Regional Impact (DRI) reviews which were consistent from fiscal year 2011 and Planning Advisory Services (PAS) for local governments which increased by approximately 36% or \$163,470 due to special projects which were contracted for during fiscal year 2012. There was also an increase in local revenues by \$229,985 for the Broadband Planning contract with the Tampa Bay Regional Planning Council. All other local revenues were consistent from fiscal year 2011.

Revenue from the State of Florida accounted for approximately 6% of the Council's total revenue in fiscal year 2012, which is a decrease of 19% from fiscal year 2011. State revenues include grants and contracts from the Florida Department of Emergency Management and the Florida Commission for the Transportation Disadvantaged. The decrease in state revenues was caused by the discontinuation of funding from the Department of Community Affairs which was \$142,943 in fiscal year 2011. There was an offset this year by a one-time contract to conduct regional emergency management exercises from the Florida Department of Emergency Management which totaled \$134,000 in fiscal year 2012.

Federal revenue accounted for approximately 61% of the Council's revenue and includes funding from the Department of Transportation (DOT) for the Transportation Disadvantaged program and the Mobility Management program, the Environmental Protection Agency (EPA) for the Brownfields programs, the Department of Housing and Urban Development (HUD) for the Sustainable Communities program, the Office Economic Adjustment (OEA) for the Avon Park Joint Land Use Study Implementation and the Economic Development Administration (EDA) for economic development district planning and the Energy Resiliency Study. Compared to fiscal year 2011, federal revenue increased approximately 35% due to increases in funding from these agencies.

Expenses

Total expenses increased 27% from \$2,977,187 in fiscal year 2011 to \$3,790,916 in fiscal year 2012. The increase includes an increase in salaries and fringe benefits of 38%, consultants of 20% and transportation for the disadvantaged of 31%. These expense items make up approximately 88% of total expenses for fiscal year 2012. The increase in these expense line items are directly related to the increase in federal revenues related to Brownfields programs, HUD Sustainable Communities grant, EDA Energy Resiliency Study, and the OEA Joint Land Use Implementation grant.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2012**

Capital Asset Activity

The Council's investments in capital assets at September 30, 2012, amounted to \$703,713 (net of accumulated depreciation). This investment in capital assets includes land, building, computer equipment, operating equipment, furniture, and vehicles. During the year the Council invested \$106,633 in capital assets including \$82,804 for new vehicles, \$17,410 for computer equipment, \$5,285 for operating equipment and \$1,134 for furniture. Additional information on the Council's capital assets can be found in the Notes to the Financial Statements, Note C on page 21.

Budgetary Highlights

The Council's original budget for fiscal year 2012 included \$3,514,047 in revenues and \$3,629,747 in expenses. The original budget included using \$115,700 from fund balance. The Council revised its original budget for fiscal year 2012 to reflect anticipated increases in local, state and federal funding by increasing the budgeted revenues to \$3,958,495. The increases in revenues resulted from an increase in Development of Regional Impact (DRI) reviews, a new agreement for the EDA Energy Resiliency Study, additional allocation of funding for the Mobility Management Program from DOT and increase funding availability from HUD Sustainable Communities grant. Line items within the expense budget were adjusted based upon year to date actual expenses and increases in funding made available. The final expense budget totaled \$3,778,875, which allowed for increasing fund balance by \$179,620.

Actual variances from the final budget include increase in activities of the Heartland 2060 project and the HUD Sustainable Communities program. The comparison of original budget, final budget and actual expenses for the fiscal year ending September 30, 2012 can be found on page 15 of the financial statements.

Economic Factors and Next Year's Budget

The economic outlook continues to present many challenges for the Council. The council expects state funding to continue to decrease in fiscal year 2013 as the Department of Communities Affairs allocation of funding to the states 11 regional planning councils were vetoed during the governor's review of the annual state budget. The council's fiscal year 2013 budget includes the use of \$13,921 from fund balance to cover the budgeted deficit.

All of the council's major federal grants will continue into fiscal year 2013, with the exception of the Brownfields Assessment Grant that expired in 2012. The Broadband Planning contract and the EDA Energy Resiliency Study grant are expected to expire in fiscal year 2013. The Council has agreements with several local agencies for energy assurance planning and emergency management training exercises set to be started and completed in fiscal year 2013.

Requests for Information

This report is only to provide an overview of the Council's financial activities. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director at 555 East Church Street, Bartow, Florida 33830.

BASIC FINANCIAL STATEMENTS



CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
STATEMENT OF NET ASSETS
September 30, 2012

ASSETS

Cash	\$ 708,918
Investments	8,003
Accounts receivable	650,246
Unbilled revenue	44,892
Prepaid expenses	25,574
Capital assets not being depreciated	50,000
Capital assets, net of accumulated depreciation of \$911,947	653,713
Total assets	2,141,346

LIABILITIES

Accounts payable	270,749
Accrued payroll liabilities	51,219
Accrued expenses	9,622
Deferred revenues	74,422
Accrued compensated absences	66,152
Total liabilities	472,164

NET ASSETS

Invested in capital assets	703,713
Unrestricted	965,469
Total net assets	\$ 1,669,182

The accompanying notes are an integral part of these financial statements.

CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2012

Expenses:

General Government:

Salaries and fringe benefits	\$ 1,613,383
Consultants	836,773
Transportation for the disadvantaged	904,610
Accounting and payroll services	1,725
Advertising	2,135
Audit	20,350
Auto	16,660
Building security	434
Dues and fees	25,439
Equipment expense	23,598
File management	3,685
Insurance	24,257
Janitorial	7,699
Legal	25,200
Meeting expense	11,389
Office supplies	15,237
Postage and delivery	4,480
Printing	7,746
Repair and maintenance	5,192
Subscriptions and publications	454
Technology Supplies	15,749
Telephone	12,264
Travel and registration fees	54,836
Utilities	11,529
Depreciation	145,405
Loss on disposal of capital assets	687
Total program expenses	<u>3,790,916</u>

Program Revenues:

Charges for services	1,068,762
Federal operating grants	2,318,768
Federal capital grants	66,243
State operating grants	<u>249,589</u>
Total program revenues	<u>3,703,362</u>
Net program expenses	<u>(87,554)</u>

General Revenues:

Member assessments	200,868
Interest income	1,245
Gain on investment in state pool	1,173
Gain on disposal of capital assets	7,784
Other income	<u>12,035</u>
Total general revenues	<u>223,105</u>
Increase in net assets	135,551
Net assets - beginning of the year	<u>1,533,631</u>
Net assets - end of the year	<u>\$ 1,669,182</u>

The accompanying notes are an integral part of these financial statements.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
GENERAL FUND BALANCE SHEET
September 30, 2012**

ASSETS

Cash	\$ 708,918
Investments	8,003
Accounts receivable	650,246
Unbilled revenue	44,892
Prepaid expenses	25,574
Total assets	<u>1,437,633</u>

LIABILITIES

Accounts payable	270,749
Accrued payroll liabilities	51,219
Accrued expenses	9,622
Deferred revenues	93,422
Total liabilities	<u>425,012</u>

FUND BALANCES

Nonspendable	30,128
Assigned	13,921
Unassigned	968,572
Total fund balance	<u>\$ 1,012,621</u>

The accompanying notes are an integral part of these financial statements.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
RECONCILIATION OF THE GENERAL FUND BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
September 30, 2012**

Total Fund Balance - General Fund \$ 1,012,621

Amounts reported in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund.

Governmental capital assets	1,615,660	
Less accumulated depreciation	<u>(911,947)</u>	703,713

The values of certain liabilities are higher in the governmental fund financial statements, because certain revenues cannot be converted to cash on a timely enough basis to pay for the current period's expenditures. These liabilities consist of revenues that were collected more than 60 days from year end.

19,000

Accrued compensated absences are a long-term liability which is not due and payable in the current period and therefore is not reported in the fund.

(66,152)

Net assets of governmental activities

\$ 1,669,182

The accompanying notes are an integral part of these financial statements.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
For the Year Ended September 30, 2012**

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Member assessments	\$ 200,868	\$ 200,868	\$ 200,868	\$ -
Local and other	643,190	1,083,787	1,083,214	(573)
State grants and contracts	114,783	254,253	249,589	(4,664)
Federal grants	2,555,206	2,419,587	2,443,874	24,287
Total revenues	<u>3,514,047</u>	<u>3,958,495</u>	<u>3,977,545</u>	<u>19,050</u>
Expenditures:				
Salaries and fringe benefits	1,448,728	1,628,858	1,594,639	34,219
Consultants	1,110,000	836,663	836,773	(110)
Transportation for the disadvantaged	660,000	906,000	904,610	1,390
Accounting and payroll services	1,000	1,800	1,725	75
Advertising	5,000	2,500	2,135	365
Audit	20,350	20,350	20,350	-
Auto	15,000	17,000	16,660	340
Building security	500	500	434	66
Dues and fees	35,000	26,000	25,439	561
Equipment expense	20,000	24,000	23,598	402
File management	3,500	4,000	3,685	315
Insurance	25,000	25,000	24,257	743
Janitorial	7,500	8,000	7,699	301
Legal	24,000	25,200	25,200	-
Meeting expense	6,500	12,000	11,389	611
Miscellaneous	1,000	1,000	-	1,000
Office Supplies	20,000	18,000	15,237	2,763
Postage and delivery	6,000	4,500	4,480	20
Printing	10,000	8,000	7,746	254
Technology supplies and equipment	26,766	16,000	15,749	251
Repair and maintenance	5,000	5,200	5,192	8
Subscriptions and publications	2,000	1,000	454	546
Telephone	12,000	12,500	12,264	236
Travel and registration fees	48,000	55,000	54,836	164
Utilities	15,000	12,000	11,529	471
Capital Outlay	<u>101,903</u>	<u>107,804</u>	<u>106,633</u>	<u>1,171</u>
Total expenditures	<u>3,629,747</u>	<u>3,778,875</u>	<u>3,732,713</u>	<u>46,162</u>
Net change in fund balance	(115,700)	179,620	244,832	65,212
Fund balance - beginning of year	767,789	767,789	767,789	-
Fund balance - end of year	<u>\$ 652,089</u>	<u>\$ 947,409</u>	<u>\$ 1,012,621</u>	<u>\$ 65,212</u>

The accompanying notes are an integral part of these financial statements.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
RECONCILIATION OF THE GENERAL FUND STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2012**

Net change in governmental fund balance \$ 244,832

Amounts reported in the statement of activities are different because:

Certain revenues that related to prior year expenditures were billed in the current year. These revenues provided current financial resources and are recorded in the governmental funds and are excluded from the statement of activities. (58,863)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. The amount of depreciation expense exceeded the capital outlay expenditures in the current period.

Capital outlay	106,633	
Depreciation expense	(145,405)	
Gain on Disposal of Fixed Assets	7,784	
Loss on Disposal of Fixed Assets	<u>(687)</u>	(31,675)

Accrued compensated absences expenses are reported on the statement of activities and do not require the use of current financial resources. The change in accrued compensated absences in not reported as an expenditure in governmental funds. (18,743)

Increase in net assets \$ 135,551

The accompanying notes are an integral part of these financial statements.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2012**

A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Central Florida Regional Planning Council (the Council) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies.

Reporting Entity

The Council is an association of local governments in DeSoto, Hardee, Highlands, Okeechobee and Polk counties in the State of Florida. Its purpose is to advise and represent local governments in matters of comprehensive planning, to administer programs funded by state and federal grant programs, and to define, promote and preserve regional resources. The Council was created by the authority of 120.53(1) 160 Florida Statutes in 1973, currently reorganized under Chapter 186, Florida Statutes. The Council operates under 27E-4, 29G-1 and 29G-2 of the Florida Administrative Code. The governing body consists of twelve elected officials and six governor appointees.

This report includes the financial statements of all funds required to account for those financial activities that are related to the Council and are controlled by or dependent upon the Council Members. Control or dependence upon the Council is determined on the basis of the governing authority, budget adoption, funding and state statutes. Based upon the principles set forth in accounting principles generally accepted in the United States of America, the Council is an oversight unit with no component units.

Government-wide and Fund Financial Statements

The government-wide financial statements consist of a Statement of Net Assets and a Statement of Activities. The Statement of Net Assets reports all financial and capital resources. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues are charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Governmental Fund Type

Governmental fund types are those funds through which most governmental functions are financed. Governmental fund reporting focuses 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 are paid; and the difference between governmental fund assets and liabilities, the fund equity, is referred to as "fund balance." The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The Council's major governmental fund, the General Fund, is the general operating fund of the Council.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2012**

A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus and Basis of Accounting

The government-wide financial statements, the Statement of Net Assets and the Statement of Activities, are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues from intergovernmental sources shall be recognized in the fiscal year in which all eligibility requirements have been met. Revenues from all other sources shall be recognized when measurable and available. Revenues will be deemed available if they are collected within 90 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

In applying the accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Council; therefore, revenues are recognized based upon the expenditures recorded and the availability criteria. In the other, monies are virtually unrestricted as to purpose of expenditure, and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt, or earlier if the accrual criteria are met. Miscellaneous revenues are recorded as revenue when received.

Cash

The Council's cash deposits at September 30, 2012 were entirely insured under federal depository insurance or guaranteed by qualified public depositories in Florida pursuant to Chapter 280.07 Florida Statutes.

Investments

The Council holds investments in an external investment pool, the Local Government Surplus Funds Trust Fund (State Pool). The State Pool is administered by the Florida State Board of Administration (SBA), who provides regulatory oversight. During the year ended September 30, 2008, the SBA reported that the State Pool was exposed to potential risks due to indirect exposure in the sub-prime mortgage financial market. Consequently, the SBA placed some restrictions on how participants could access their investments and ultimately restructured the State Pool into two separate pools, "Florida PRIME" and "Fund B". Funds held in Fund B are not accessible until the SBA releases funds in Fund B and transfers the funds to Florida PRIME.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2012**

A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Council's investment in the State Pool exposes it to custodial credit risk and, for Fund B, interest rate risk. The Council does not have a formal investment policy relating to these risks. Custodial credit risk is the risk that in the event of a failure of the counterparty to a transaction, the Council will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The Florida PRIME has adopted operating procedures consistent with the requirements for a SEC 2a-7 like fund (as defined in GASB 31), therefore the account balance should be considered the fair value of the investment. The Florida PRIME is rated by Standard & Poor's. The current rating is AAAM. The weighted average days to maturity (WAM) of the Florida PRIME at September 30, 2012 was 39 days. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the Florida Prime to interest rate changes.

Fund B is accounted for as a fluctuating Net Asset Value (NAV) pool and is reported at fair value, determined by the fair value per share of the pool's underlying portfolio. The Fair Value Factor for September 30, 2012 was approximately 0.95. Fund B is not rated by any nationally recognized statistical rating agency. The weighted average life (WAL) of Fund B at September 30, 2012 was 4.08 years. A portfolio's WAL is the dollar weighted average length of time until securities held reach maturity. WAL is based on legal final maturity dates for Fund B as of September 30, 2012.

Accounts Receivable

Receivables include amounts due for services under various agreements which are due within one year.

Prepaid Expenses

Prepaid expenses are payments which have been made in the current period for expenses related to a future period.

Unbilled Revenue

Unbilled revenue includes amounts of expenditures that were incurred for reimbursement basis grants during the current period that were not requested until after the period had closed.

Capital Assets

Capital assets, which include property, building and equipment, are reported only in the government-wide financial statements. Capital assets are those acquired for general government purposes with an initial, individual cost equal to or more than \$750 and an estimated useful life of more than one year. Such assets are recorded at historical cost if purchased or constructed. Land is not depreciated. Maintenance, repairs and minor renovations are not capitalized.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2012**

A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building & Improvements	20 - 39
Furniture, Equipment & Vehicles	3 - 7

Accounts Payable

Payables include amounts due to vendors for services under various agreements which are due within one year.

Accrued Expenses

Accrued expenses include liabilities for accrued payroll and other accrued expenses.

Deferred Revenues

Deferred revenues are payments received before the related costs are incurred.

Accrued Compensated Absences

Accrued compensated absences represent the liability due to employees for leave earned but not yet taken.

Net Assets

Net assets represent the difference between assets and liabilities in the government-wide financial statements. Net assets invested in capital assets consist of capital assets, net of accumulated depreciation. Net assets are reported as restricted when there are limitations imposed on their use either through resolution adopted by the Council or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted resources are used first to fund appropriation.

Indirect Cost Allocation

Indirect costs are those costs incurred for a common or joint purpose benefiting more than one program and cannot be readily identified with a particular program. The Council's policy for determining which costs are direct and which are indirect follows the definition in OMB Circular No. A-87. Indirect costs include occupancy, equipment rental and maintenance, legal expense, insurance, office supplies and depreciation. Using direct salaries as the cost base, indirect costs are allocated to programs on a prorated basis.

Budgetary Data

As allowed by GASB Statement No. 41, Budgetary Comparison Schedules – Perspective Differences, the Council presents budgetary comparisons in the General Fund Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2012**

A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of 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 basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

B – INVESTMENT IN STATE POOL

The fair values of funds held in the State Board of Administration's Florida PRIME and Fund B at September 30, 2012 are as follows:

Florida PRIME	\$	3,449
Fund B		<u>4,554</u>
		<u><u>\$ 8,003</u></u>

C – CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended September 30, 2012:

	<u>Balance 9/30/2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 9/30/2012</u>
Capital assets, not being depreciated				
Land	\$ 50,000	\$ -	\$ -	\$ 50,000
Capital assets, being depreciated				
Building	525,332	-	-	525,332
Computer Equipment	136,720	17,410	(33,095)	121,035
Operating Equipment	8,506	5,285	(3,439)	10,352
Furniture	38,761	1,134	(1,900)	37,995
Vehicles	825,527	82,804	(37,385)	870,946
Total Depreciable	<u>1,534,846</u>	<u>106,633</u>	<u>(75,819)</u>	<u>1,565,660</u>
Accumulated Depreciation				
Building	163,504	20,962	-	184,466
Computer Equipment	101,512	18,155	(32,409)	87,258
Operating Equipment	8,505	135	(3,438)	5,202
Furniture	29,196	2,801	(1,900)	30,097
Vehicles	527,742	103,352	(26,170)	604,924
Total Accumulated Depreciation	<u>830,459</u>	<u>145,405</u>	<u>(63,917)</u>	<u>911,947</u>
Total Depreciable, Net of Depreciation	<u>704,387</u>	<u>(38,772)</u>	<u>(11,902)</u>	<u>653,713</u>
Total Capital Assets	<u>\$ 754,387</u>	<u>\$ (38,772)</u>	<u>\$ (11,902)</u>	<u>\$ 703,713</u>

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2012**

D – DEFERRED REVENUE

Deferred revenue at September 30, 2012 consisted of the following:

Deferred DRI revenue	\$	44,450
Deferred grant revenue		29,972
		74,422
	\$	74,422

E – RETIREMENT PLAN

The Council established a 457(b) deferred compensation retirement plan for the benefit of its employees. Employees may elect to defer compensation to the plan up to annual limits established by law. The Council matches employee deferrals based upon length of employment and individual employee deferral. The Council's contributions to the 457(b) retirement plan for the year ended September 30, 2012 were \$70,980.

F – OPERATING LEASES

The Council has entered into operating lease agreements for office equipment. Total expense for all operating lease agreements for the year ended September 30, 2012 was \$20,936. Minimum non-cancellable lease commitments are as follows:

2013	\$	12,042
2014		12,042
2015		6,021
		30,105
	\$	30,105

G – RISK MANAGEMENT

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council purchases commercial insurance coverage and surety bonds related to these risks. There have been no decreases in coverage nor have there been any settlements in excess of coverage in any of the prior three years.

The Council is also a member of the Florida Municipal Insurance Trust Fund through the Florida League of Cities, Inc. (the Trust). The Trust is a self-insurance program established to provide certain liability, casualty and property coverage to the participating units of local governments in Florida, pursuant to various provisions of Florida Statutes. The Council pays an annual premium to the Trust for its insurance coverage. The Trust is non-assessable and, therefore, the Council has no liability for future deficits of the Trust, if any.

The Council leases vehicles purchased under the Transportation Disadvantaged Program to various carriers within the region to provide trips for the Transportation Disadvantaged Program. The Council requires all Lessee's to carry liability coverage for all persons being transported in the vehicle and any employee operating the vehicle. Comprehensive and collision coverage is required for the full value of each vehicle leased. Proof of such insurance is required to be kept current with the Council.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended September 30, 2012**

H – FUND BALANCE REPORTING

The Council has adopted the provisions of Governmental Accounting Standards Board Statement No. 54 (GASB 54) Fund Balance Reporting and Governmental Fund Type Definitions for the year ended September 30, 2011. The intention of the GASB is to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the Council's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources. GASB 54 provides for two major types of fund balances, which are nonspendable and spendable.

Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. In addition to the nonspendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- Restricted – fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- Committed – fund balances that contain self-imposed constraints of the government from its highest level of decision making authority, requiring an ordinance or resolution by the governing body.
- Assigned – fund balances that contain self-imposed constraints of the government to be used for a particular purpose. Assignments may be made by only the Executive Director.
- Unassigned – fund balances that are not constrained for any particular purposes.

The Council does not have a formal fund balance spending policy, however the Council's practice is to use restricted resources first, followed by the use of committed resources, assigned resources and unassigned resources. The Council has classified its fund balance within the following hierarchy:

	<u>General Fund</u>
Nonspendable	
Prepaid expenses	\$ 25,574
Investment in Fund B	4,554
Total Nonspendable	30,128
Assigned	
Budgeted Deficit for 2013	13,921
Unassigned	968,572
Total Fund Balance	\$ 1,012,621

OTHER SUPPLEMENTARY INFORMATION



CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
UNAUDITED SCHEDULE OF REVENUES AND EXPENDITURES – BY PROGRAM
For the Year Ended September 30, 2012

	Total	Planning Advisory Services	Developments of Regional Impact	Transportation Programs	Hazards Analysis & Emergency Management	Sustainable Communities & Heartland 2060	Economic Development	Joint Land Use Study Implementation	Broadband	Brownfields Programs	Non Program	Indirect Costs
Revenue:												
Member Assessments	\$ 200,868	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,868	\$ -
Local/Other Revenue	1,090,999	518,596	194,393	46,251	40,537	-	-	-	268,985	-	22,237	-
State Revenue	249,589	-	-	71,092	176,453	2,044	-	-	-	-	-	-
Federal Revenue	2,385,011	-	-	1,206,062	54,344	696,943	101,502	86,586	-	239,574	-	-
Total Revenue	3,926,467	518,596	194,393	1,323,405	271,334	698,987	101,502	86,586	268,985	239,574	223,105	-
Expenditures:												
Salaries	1,126,949	238,356	16,864	143,863	71,788	193,298	73,802	45,734	171,960	30,530	5,758	134,996
Fringe benefits	486,434	102,874	7,279	62,091	30,984	83,427	31,853	19,739	74,218	13,177	2,522	58,270
Consultants	836,773	53,300	139,750	-	40,554	362,231	-	-	-	193,008	-	47,930
Non-sponsored trips	904,610	-	-	904,610	-	-	-	-	-	-	-	-
Accounting and payroll services	1,725	-	-	-	-	-	-	-	-	-	-	1,725
Advertising	2,135	78	27	392	986	122	42	-	-	46	-	442
Audit	20,350	-	-	-	-	-	-	-	-	-	-	20,350
Auto expense	16,660	2	-	591	-	-	-	-	57	-	-	16,010
Building security	434	-	-	-	-	-	-	-	-	-	-	434
Dues and fees	25,439	2,652	-	374	75	-	-	-	461	300	-	21,577
Equipment expense	23,598	932	928	2,046	1,481	85	55	2	20	46	1	18,002
File management	3,685	-	-	-	-	-	-	-	-	-	-	3,685
Insurance	24,257	-	-	-	-	-	-	-	-	-	-	24,257
Janitorial	7,699	-	-	-	-	-	-	-	-	-	-	7,699
Legal	25,200	-	-	-	-	-	-	-	-	-	-	25,200
Meeting expense	11,389	620	-	-	6,176	1,082	531	-	-	70	91	2,819
Office Supplies	15,237	498	165	181	208	1,220	188	-	149	-	-	12,628
Postage and delivery	4,480	1,210	228	619	257	24	1	1	-	266	11	1,863
Printing	7,746	5,461	-	-	640	-	895	-	-	-	-	750
Repair and maintenance	5,192	-	-	-	-	-	-	-	-	-	-	5,192
Subscription and publications	454	11	-	-	-	-	-	-	-	-	-	443
Technology Supplies	15,749	4,200	-	-	-	799	-	-	-	-	-	10,750
Telephone	12,264	2,187	-	131	-	455	196	109	-	-	-	9,186
Travel and registration fees	54,836	4,322	-	2,795	17,950	3,388	776	-	1,068	2,318	4,838	17,381
Utilities	11,529	-	-	-	-	-	-	-	-	-	-	11,529
Depreciation expense	145,405	-	-	90,705	-	-	-	-	-	-	-	54,700
Loss on disposal of capital assets	687	-	-	-	-	-	-	-	-	-	687	-
Indirect costs	-	122,014	8,633	73,643	36,748	98,949	37,779	23,411	88,026	15,628	2,987	(507,818)
Total Expenditures	3,790,916	538,717	173,874	1,282,041	207,847	745,080	146,118	88,996	335,959	255,389	16,895	-
Revenue Over(Under)												
Expenditures	\$ 135,551	\$ (20,121)	\$ 20,519	\$ 41,364	\$ 63,487	\$ (46,093)	\$ (44,616)	\$ (2,410)	\$ (66,974)	\$ (15,815)	\$ 206,210	\$ -

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
UNAUDITED SCHEDULE OF INDIRECT COSTS
For the Year Ended September 30, 2012**

Indirect Costs		
Salaries	\$	134,996
Fringe benefits		58,270
Accounting and payroll services		1,725
Advertising		442
Audit		20,350
Auto		16,010
Building security		434
Consultants		47,930
Dues and fees		21,577
Equipment expense		18,002
File management		3,685
Insurance		24,257
Janitorial		7,699
Legal		25,200
Meeting expense		2,819
Office Supplies		12,628
Postage and delivery		1,863
Printing		750
Technology Supplies		10,750
Repair and maintenance		5,192
Subscriptions and publications		443
Telephone		9,186
Travel		17,381
Utilities		11,529
Depreciation		54,700
Total Indirect Costs	<u>\$</u>	<u>507,818</u>

Basis of allocation of indirect costs:

Fringe Benefit Allocation Rate

Total Fringe benefits	<u>\$ 486,434</u>	=	43.16%
Total Salaries	\$ 1,126,946		

Indirect Cost Allocation Rate

Total Indirect Costs	<u>\$ 507,818</u>	=	51.19%
Direct Salaries	\$ 991,950		

COMPLIANCE SECTION



**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2012**

	CFDA/ CSFA Number	Contract / Grant Identification	Expenditures
FEDERAL AWARDS			
United States Department of Transportation			
Passed Through Florida Division of Emergency Management			
Hazardous Materials Emergency Preparedness	20.703	12-DT-B5-13-00-21-287	\$ 40,758
Hazardous Materials Emergency Preparedness	20.703	13-DT-B5-13-00-21-153	\$ 13,586
			<u>\$ 54,344</u>
Passed Through Florida Department of Transportation			
Formula Grants for Other Than Urbanized Areas	20.509	AOV78; FM 410124-1-84-30	\$ 569,087
Formula Grants for Other Than Urbanized Areas	20.509	AQA30; FM 430531-1-94-01	\$ 30,035
			<u>\$ 599,122</u>
Transit Services Cluster			
Job Access and Reverse Commute	20.516	APV08; FM 428350-1-84-01	\$ 182,015
Job Access and Reverse Commute	20.516	AQ675; FM 430363-1-94-01	\$ 71,134
			<u>\$ 253,149</u>
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	FL-16-0032	\$ 66,243
New Freedom Program	20.521	APV09; FM 428347-1-84-01	\$ 292,183
Total Transit Services Cluster			<u>\$ 611,575</u>
Total United States Department of Transportation			<u>\$ 1,265,041</u>
Department of Housing and Urban Development			
Sustainable Communities Regional Planning Grant	14.703	FLRIP0008-10	\$ 696,943
Total Department of Housing and Urban Development			<u>\$ 696,943</u>
Department of Defense			
Community Economic Adjustment Assistance for Compatible Use and Joint Land Use Studies	12.610	EN0719-12-02	\$ 86,586
Total Department of Defense			<u>\$ 86,586</u>
United States Environmental Protection Agency			
ARRA - Brownfields Assessment and Cleanup Cooperative Agreement	66.818	ARRA 2B-95427809-0	\$ 202,785
Brownfields Assessment and Cleanup Cooperative Agreement	66.818	BF-95481311-0	\$ 36,789
Total United States Environmental Protection Agency			<u>\$ 239,574</u>
United States Department of Commerce			
Comprehensive Economic Development Strategies	11.302	04-83-06120	\$ 16,387
Comprehensive Economic Development Strategies	11.302	04-83-06643	\$ 49,065
			<u>\$ 65,452</u>
Passed Through Tampa Bay Regional Planning Council			
Economic Adjustment Assistance	11.307	04-69-06568	\$ 36,050
Total United States Department of Commerce			<u>\$ 101,502</u>
TOTAL FEDERAL AWARDS			<u>\$ 2,389,646</u>

The accompanying notes to the Schedule of expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2012**

	CFDA/ CSFA Number	Contract / Grant Identification	Expenditures
STATE FINANCIAL ASSISTANCE			
Florida Department of Community Affairs			
Implementation of SB360			
Visioning for Florida's Heartland	52.033	08-DR-90-13-00-21-003	\$ 2,044
Hazardous Materials Hazards Analysis Update	52.023	12-CP-03-13-00-21-227	\$ 3,520
Local Emergency Planning Committee Staffing	52.023	12-CP-03-13-33-21-136	\$ 29,178
			<u>\$ 32,698</u>
Local Emergency Planning Committee Staffing	31.067	13-CP-11-13-00-21-171	\$ 9,755
Florida Department of Community Affairs			<u>\$ 44,497</u>
Florida Department of Transportation			
Commission for the Transportation Disadvantaged Planning Grant Program	55.002	AQC34	\$ 39,792
Commission for the Transportation Disadvantaged Planning Grant Program	55.002	AQP37	\$ 14,709
Total Florida Department of Transportation			<u>\$ 54,501</u>
TOTAL STATE FINANCIAL ASSISTANCE			<u>\$ 98,998</u>
TOTAL FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE			<u><u>\$ 2,488,644</u></u>

The accompanying notes to the Schedule of expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2012**

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance presents the activity of all federal and state financial award programs of the Central Florida Regional Planning Council. The Council reporting entity is defined in Note A to the Council's basic financial statements for the year ended September 30, 2012. All federal financial awards and state financial assistance received directly from federal and state agencies, as well as federal financial awards and state financial assistance passed through other government agencies, are included in the schedule.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented using the modified accrual basis of accounting which is described in Note A to the Council's financial statements for the year ended September 30, 2012.

NOTE 3 – CONTINGENCIES

Grant monies received and disbursed by the Council are for specific purposes and are subject to review by the grantor agencies. Such audits may result in request for reimbursement to be denied due to disallowed expenditures. Based upon prior experience, the Council does not believe that such disallowances, if any, would have a material effect on the financial position of the Council. As of January 4, 2013 there were no material questioned or disallowed costs as a result of grant audits in process or completed.



**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Council
Central Florida Regional Planning Council
Bartow, Florida

We have audited the financial statements of the governmental activities and the major fund of Central Florida Regional Planning Council, as of and for the year ended September 30, 2012, and have issued our report thereon dated January 4, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Central Florida Regional Planning Council's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Central Florida Regional Planning Council's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Central Florida Regional Planning Council'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, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

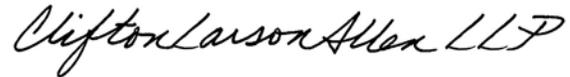
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material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

To the Council
Central Florida Regional Planning Council

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Central Florida Regional Planning Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Council, others within the entity, the State of Florida Auditor General, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Lakeland, Florida
January 4, 2013



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Council
Central Florida Regional Planning Council
Bartow, Florida

Compliance

We have audited the compliance of Central Florida Regional Planning Council, with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Central Florida Regional Planning Council's major federal programs for the year ended September 30, 2012. Central Florida Regional Planning Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Central Florida Regional Planning Council's management. Our responsibility is to express an opinion on Central Florida Regional Planning Council's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Central Florida Regional Planning Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Central Florida Regional Planning Council's compliance with those requirements.

In our opinion, Central Florida Regional Planning Council, complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2012.

Internal Control Over Compliance

Management of Central Florida Regional Planning Council 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 Central Florida Regional Planning Council's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion 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 expressing an opinion on the effectiveness of internal control over compliance. Accordingly,

To the Council
Central Florida Regional Planning Council

we do not express an opinion on the effectiveness of Central Florida Regional Planning Council's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *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 type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance 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 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.

This report is intended solely for the information and use of management, Central Florida Regional Planning Council, others within the entity, the State of Florida Auditor General, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Lakeland, Florida
January 4, 2013

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2012**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

 Significant deficiencies identified? No

 Significant deficiencies considered
 to be material weaknesses? No

Noncompliance material to financial statements noted? No

Federal Awards Program

Internal control over financial reporting:

 Significant deficiencies identified? No

 Significant deficiencies considered
 to be material weaknesses? No

Type of auditor’s report on compliance for major programs Unqualified

Any audit findings disclosed that are required to be
reported in accordance with Circular A-133 (Section .510(a))? No

Identification of major programs:

Federal Program

CFDA No.

Formula Grants for Other Than Urbanized Areas Multi-Year
Joint Participation Agreement 20.509

ARRA Brownfields Assessment and Cleanup Cooperative
Agreement 66.818

Brownfields Assessment and Cleanup Cooperative Agreement 66.818

Dollar threshold used to distinguish between
Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes

MANAGEMENT LETTER

To the Council
Central Florida Regional Planning Council
Bartow, Florida

We have audited the financial statements of the Central Florida Regional Planning Council, as of and for the fiscal year ended September 30, 2012, and have issued our report thereon dated January 4, 2013.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Federal Program and on Internal Control over Compliance in Accordance with OMB Circular A-133 and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated January 4, 2013, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditors' reports or schedule:

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective action has been taken to address finding and recommendation 2011-01 in the schedule of findings and responses.

Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Central Florida Regional Planning Council complied with Section 218.415, Florida Statutes.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

To the Council
Central Florida Regional Planning Council

Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts or grant agreements, fraud, illegal acts or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

Section 10.554(1)(i)5., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on financial statements, considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) Deficiencies in internal control that are not significant deficiencies. In connection with our audit, we did not have any such findings:

Section 10.554(1)(i)6., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See footnote A in the Notes to the Financial Statements for a description of the reporting entity.

Section 10.554(1)(i)7.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Central Florida Regional Planning Council did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Section 10.554(1)(i)7.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the Central Florida Regional Planning Council for the fiscal year ended September 30, 2012, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2012. In connection with our audit, we determined that these two reports were in agreement.

Sections 10.554(1)(i)7.c. and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures. It is managements' responsibility to monitor the Central Florida Regional Planning Council's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Our management letter is intended solely for the information and use of the Central Florida Regional Planning Council board, management, the Florida Auditor General, and Federal and State granting agencies, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank you for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have questions or comments concerning this letter, our accompanying reports, or other matters.



CliftonLarsonAllen LLP

Lakeland, Florida
January 4, 2013

**CENTRAL FLORIDA REGIONAL PLANNING COUNCIL
 SCHEDULE OF FINDINGS AND RESPONSES
 CURRENT AND PRIOR YEARS
 SEPTEMBER 30, 2012**

Current Year Findings

There were none.

Prior Years Findings

Prior Years Findings		Current Year Status			
		Cleared	Partially Cleared	Not Cleared	Reference
2011-01 Depreciation Expense	Control Deficiency	X			N/A

CENTRAL FLORIDA REGIONAL PLANNING COUNCIL

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