

**SOUTHWEST FLORIDA REGIONAL
PLANNING COUNCIL**

**BASIC FINANCIAL STATEMENTS
TOGETHER WITH REPORTS OF
INDEPENDENT AUDITOR**

**YEAR ENDED
SEPTEMBER 30, 2008**

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Affiliations

Florida Institute of Certified Public Accountants
American Institute of Certified Public Accountants
Private Companies Practice Section
Tax Division

INDEPENDENT AUDITOR'S REPORT

Executive Committee and Council Members
Southwest Florida Regional Planning Council
1926 Victoria Avenue
Fort Myers, Florida 33901

We have audited the accompanying basic financial statements of Southwest Florida Regional Planning Council (the "Council"), as of September 30, 2008, and for the year then ended, as listed in the table of contents. These basic financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these basic 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of Southwest Florida Regional Planning Council as of September 30, 2008, and the results of its operations 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 1, 2008, on our consideration of Southwest Florida Regional Planning Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants 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 the 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.

EXPERIENCE KNOWLEDGE INTEGRITY SERVICE

12621 World Plaza Lane, Building 55 • Fort Myers, FL 33907 • Phone: (239) 3332090 • Fax: (239) 3332097

The Management's Discussion and Analysis (MD&A) on pages i-v is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the Management's Discussion and Analysis. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the Council's basic financial statements taken as a whole. The required supplementary information other than MD&A on pages 33-38 described in the accompanying table of contents is presented for the purposes of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Such information has been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance, on pages 39 and 40, for the year ended September 30, 2008, is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is a requirement within the provisions of Office of Management and Budget (OMB) Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations," Florida Statute 215.97 and the State of Florida Auditor General Rule 10.550. This supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



TUSCAN & COMPANY, P.A.
Fort Myers, Florida
December 1, 2008

**MANAGEMENT'S DISCUSSION
AND ANALYSIS
(MD&A)**

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
Management's Discussion and Analysis
(unaudited)

This discussion and analysis of the Southwest Florida Regional Planning Council (the "Council") financial statements is designed to introduce the basic financial statements and provide an analytical overview of the Council's financial activities for the fiscal year ended September 30, 2008. The basic financial statements are comprised of the government-wide financial statements, governmental fund financial statements, and footnotes. We hope this will assist readers in identifying significant financial issues and changes in the Council's financial position.

Council Financial Highlights:

- At the close of fiscal year 2008 the Council's assets exceeded its liabilities, resulting in net assets of \$903,553.
- The Council's total net assets increased \$96,379 or 11.94 percent.
- The Council had \$557,773 of unrestricted net assets that can be used to meet the Council's ongoing obligations.
- Total revenues decreased \$180,999, or 5 percent, in comparison to the prior fiscal year.
- Total expenses decreased \$65,114, or 1.91 percent, in comparison to the prior fiscal year.

Government-Wide Financial Statements

Government-wide financial statements (statement of net assets and statement of activities found on pages 3 and 4, respectively) are intended to allow a reader to assess a government's operational accountability. Operational accountability is defined as the extent to which the government has met its operating objectives efficiently and effectively, using all resources available for that purpose, and whether it can continue to meet its objectives for the foreseeable future. Government-wide financial statements concentrate on the Council as a whole and do not emphasize fund types.

The *Statement of Net Assets* (page 3) presents information on all of the Council's assets and liabilities, with the difference between the two reported as net assets. The Council's capital assets (land, building, equipment, furniture and fixtures, and vehicles) are included in this statement and reported net of their accumulated depreciation.

The *Statement of Activities* (page 4) presents revenue and expense information showing how the Council's net assets changed during the fiscal year. Both statements are measured and reported using the economic resource measurement focus (revenues and expenses) and the accrual basis of accounting (revenue recognized when earned and expense is recognized when a liability is incurred).

Governmental Fund Financial Statements

The accounts of the Council are organized on the basis of governmental funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for which a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Governmental fund financial statements (found on pages 5 and 7) are prepared on the modified accrual basis using the current financial resources measurement focus. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets.

Notes to the Financial Statements

The notes to the financial statements explain in detail some of the data contained in the preceding statements and are on pages 9 through 32. These notes are essential to a full understanding of the data provided in the government-wide and fund financial statements.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
Management's Discussion and Analysis
(unaudited)

Government-Wide Financial Analysis

The government-wide financial statements were designed so that the user could determine if the Council is in a better or worse financial condition from the prior year.

The following table reflects a Summary of Net Assets for fiscal years 2008 and 2007:

Southwest Florida Regional Planning Council
Summary of Net Assets
September 30

Assets:	<u>2008</u>	<u>2007</u>	<u>Change</u>	<u>% Change</u>
Current assets	\$ 1,480,358	\$ 2,043,591	\$ (563,233)	-27.56%
Capital assets, net	<u>1,673,593</u>	<u>1,694,059</u>	<u>(20,466)</u>	-1.21%
Total assets	<u>\$ 3,153,951</u>	<u>\$ 3,737,650</u>	<u>\$ (583,699)</u>	-15.62%
 Liabilities:				
Current liabilities	\$ 896,085	\$ 1,528,504	\$ (632,419)	-41.38%
Noncurrent liabilities	<u>1,354,313</u>	<u>1,401,972</u>	<u>(47,659)</u>	-3.40%
Total liabilities	<u>2,250,398</u>	<u>2,930,476</u>	<u>(680,078)</u>	-23.21%
 Net assets:				
Investment in capital assets, net				
of related debt	345,780	315,490	30,290	9.60%
Unrestricted	<u>557,773</u>	<u>491,684</u>	<u>66,089</u>	13.44%
Total net assets	<u>903,553</u>	<u>807,174</u>	<u>96,379</u>	11.94%
Total liabilities and net assets	<u>\$ 3,153,951</u>	<u>\$ 3,737,650</u>	<u>\$ (583,699)</u>	-15.62%

At September 30, 2008, current assets are comprised of cash and cash equivalents of \$655,459, investments of \$515,032, grants receivables of \$293,853, contract and other receivables of \$15,290 and other assets of \$724.

At September 30, 2008, current liabilities are comprised of accounts payable and accrued expenses of \$193,112, retainage payable of \$31,287, deferred contract revenue of \$617,971 and the current portion of long-term liabilities of \$53,715.

At September 30, 2008, the investment in capital assets, net of related debt, of \$345,780 represents 38 percent of net assets and is comprised of land, building, equipment, furniture and fixtures, and vehicles, net of accumulated depreciation and the outstanding related debt used to acquire the assets. The unrestricted net asset balance of \$557,773 increased \$66,089 or 13.44 percent. The unrestricted net asset balance represents resources available for spending.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
Management's Discussion and Analysis
(unaudited)

The following schedule reports the revenues, expenses, and changes in net assets for the Council for the current and previous fiscal year:

Southwest Florida Regional Planning Council
Summary of Changes in Net Assets
Years Ended September 30

Revenues:	<u>2008</u>	<u>2007</u>	<u>Change</u>	<u>% Change</u>
Program Revenues				
Charges for services - dues & fees	\$ 874,019	\$ 787,510	\$ 86,509	10.99%
Contracts, grants and contributions	2,528,568	2,788,940	(260,372)	-9.34%
General Revenues				
Interest and miscellaneous	<u>37,386</u>	<u>44,522</u>	<u>(7,136)</u>	-16.03%
Total revenues	<u>3,439,973</u>	<u>3,620,972</u>	<u>(180,999)</u>	-5.00%
Expenses:				
Project Planning				
Personal services	2,092,547	2,000,160	(92,387)	-4.62%
Operating expenses	1,104,283	1,260,336	156,053	12.38%
Depreciation	69,769	68,421	(1,348)	-1.97%
Loss on disposal of capital assets	-	-	-	
Interest and fiscal charges	<u>76,995</u>	<u>79,791</u>	<u>2,796</u>	3.50%
Total expenses	<u>3,343,594</u>	<u>3,408,708</u>	<u>65,114</u>	1.91%
Change in net assets	96,379	212,264	<u>\$ (115,885)</u>	
Net Assets - Beginning	<u>807,174</u>	<u>594,910</u>		
Net Assets - Ending	<u>\$ 903,553</u>	<u>\$ 807,174</u>		

Budgetary Highlights

Budget versus actual comparisons are presented in the required supplementary information other than the Management's Discussion and Analysis.

Original to Final Budget Variances

The Council Members approved several budget amendments during the fiscal year ended September 30, 2008. Due to a change in the reporting requirements, Budget amendments to reallocate fringe and indirect and add fund balance resulted in a net increase to budgeted General Fund Expenditures of \$565,843. The Special Revenue Fund had a decrease in Budgeted Revenue of \$713,328 and a decrease in budgeted Expenditures of \$700,000 for a net change of \$13,328 in the Special Revenue Budget.

Final Budget to Actual Variances

No financially significant final budget versus actual line item variances were noted in the General Fund for either revenues or expenditures (before indirect expenditure allocations).

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
Management's Discussion and Analysis
(unaudited)

Capital Assets

Non-depreciable capital assets include land. Depreciable capital assets include building, equipment, furniture and fixtures, and vehicles. The following is a schedule of the Council's capital assets as of September 30, 2008 and 2007:

Southwest Florida Regional Planning Council
Capital Assets
September 30

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Non-Depreciable Capital Assets			
Land	\$ 375,565	\$ 375,565	\$ -
Depreciable Capital Assets			
Building and improvements	1,355,393	1,347,943	7,450
Furniture and fixtures	21,550	21,550	-
Equipment	240,788	230,601	10,187
Vehicles	21,787	14,292	7,495
Total depreciable capital assets	<u>1,639,518</u>	<u>1,614,386</u>	<u>25,132</u>
Less Accumulated Depreciation			
Building and improvements	(132,609)	(95,821)	(36,788)
Furniture and fixtures	(13,343)	(10,264)	(3,079)
Equipment	(195,538)	(175,515)	(20,023)
Vehicles	(14,292)	(14,292)	14,292
Total depreciable capital assets	<u>(341,490)</u>	<u>(295,892)</u>	<u>(45,598)</u>
Depreciable capital assets, net	<u>1,298,028</u>	<u>1,318,494</u>	<u>(20,466)</u>
Capital Assets, net	<u>\$ 1,673,593</u>	<u>\$ 1,694,059</u>	<u>\$ (20,466)</u>

Debt Administration

At September 30, 2008, the Council had \$1,408,028 of outstanding debt, which is comprised of \$1,354,313 of noncurrent long-term obligations and \$53,715 of current portion of long-term obligations as shown on the Statement of Net Assets. The following is a detailed schedule of the Council's outstanding debt as of September 30, 2008 and 2007:

Southwest Florida Regional Planning Council
Outstanding Debt
September 30

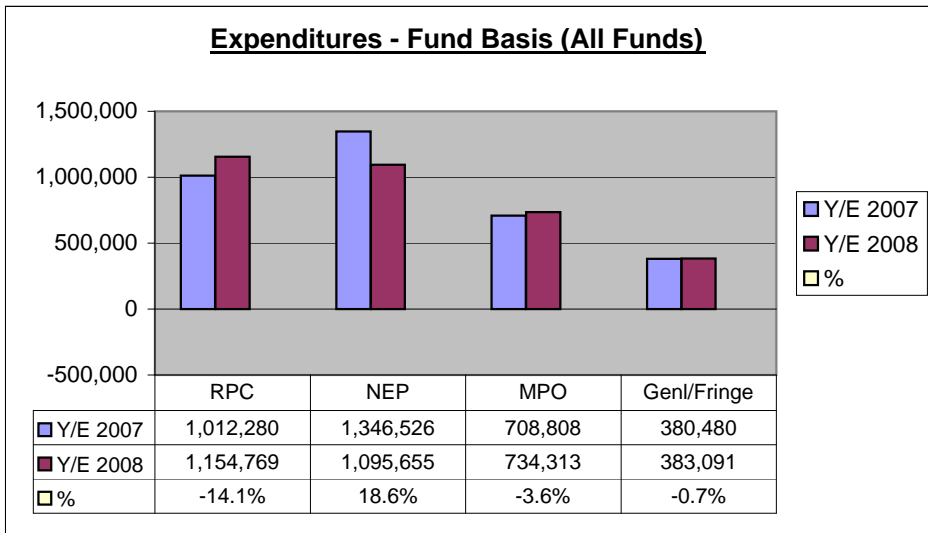
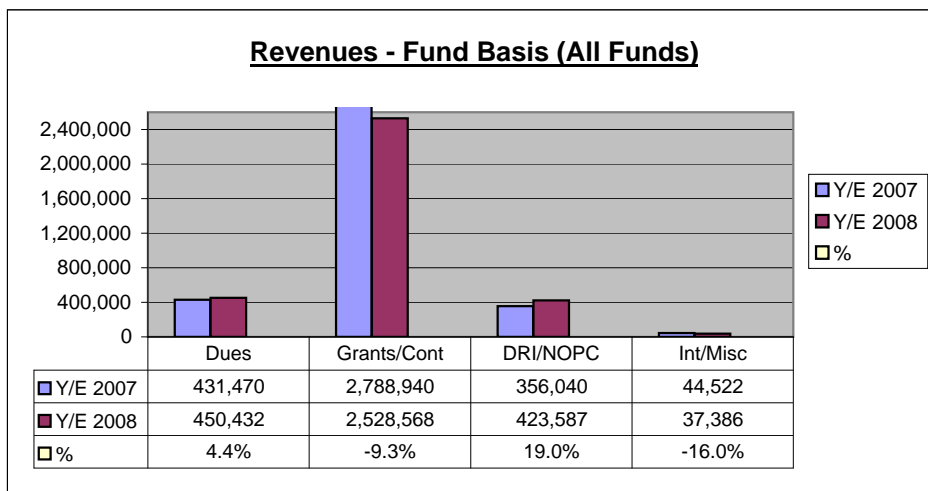
	<u>2008</u>	<u>2007</u>	<u>Change</u>
Note Payable	\$ 1,327,813	\$ 1,378,569	\$ (50,756)
Compensated Absences	80,215	74,159	6,056
Total Outstanding Debt	<u>\$ 1,408,028</u>	<u>\$ 1,452,728</u>	<u>\$ (44,700)</u>

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
Management's Discussion and Analysis
(unaudited)

The note payable for the office building has a monthly payment of \$10,646, including interest, with a final payment of \$826,523 due June 1, 2016. The amount reported as compensated absences of \$80,215 represents the total amount the Council had due at the termination of all employees' employment as of September 30, 2008.

Other Known Facts, Decisions, or Conditions

Member assessments, DRI and NOPC fees, and grants and contracts provide the majority of revenues for the Council and provide the basis for the operating expenses. Grant and contracts provided 64.45%, DRI and NOPC fees provided 16.52%, assessments provided 17.57% of fiscal year 2008 revenues. Interest and miscellaneous income provided 1.46% of fiscal year 2008 revenues.



Request for Information

This financial report is designed to provide the reader an overview of the Council. Questions regarding any information provided in this report should be directed to: the Southwest Florida Regional Planning Council, 1926 Victoria Avenue, Fort Myers, Florida 33901. The phone is (239) 338-2550, extension 237.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
STATEMENT OF NET ASSETS
September 30, 2008

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 655,459
Investments (of which \$308,828 is restricted)	515,032
Due from other governments - grants	293,853
Receivables - contracts and other	15,290
Other assets	<u>724</u>
Total current assets	<u>1,480,358</u>
Noncurrent assets:	
Capital assets:	
Land	375,565
Depreciable buildings, improvements, equipment and vehicles (net of \$341,490 accumulated depreciation)	<u>1,298,028</u>
Total noncurrent assets	<u>1,673,593</u>
TOTAL ASSETS	<u>\$ 3,153,951</u>
LIABILITIES	
Current liabilities:	
Accounts payable and accrued expenses	\$ 193,112
Retainage payable	31,287
Due to other governments	-
Deferred revenue - grants	-
Deferred revenue - contracts	617,971
Current portion of long-term obligations	<u>53,715</u>
Total current liabilities	896,085
Noncurrent liabilities:	
Noncurrent portion of long-term obligations	1,354,313
Commitments and Contingencies	<u>-</u>
TOTAL LIABILITIES	<u>2,250,398</u>
NET ASSETS	
Invested in capital assets, net of related debt	345,780
Unrestricted	<u>557,773</u>
TOTAL NET ASSETS	<u>903,553</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,153,951</u>

The accompanying notes are an integral part of this statement.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
STATEMENT OF ACTIVITIES
Year Ended September 30, 2008

	<u>Governmental Activities</u>
EXPENSES	
Governmental Activities	
Project Planning:	
Personal services	\$ 2,092,547
Operating expenses	1,104,283
Depreciation	69,769
Interest and fiscal charges	76,995
TOTAL EXPENSES - GOVERNMENTAL ACTIVITIES	<u>3,343,594</u>
 PROGRAM REVENUES	
Charges for services:	
Dues and fees	874,019
Contracts	876,538
Operating grants and contributions	<u>1,652,030</u>
TOTAL PROGRAM REVENUES	<u>3,402,587</u>
NET PROGRAM REVENUES	<u>58,993</u>
 GENERAL REVENUES	
Interest and miscellaneous	<u>37,386</u>
TOTAL GENERAL REVENUES	<u>37,386</u>
INCREASE IN NET ASSETS	96,379
NET ASSETS - Beginning of the year	<u>807,174</u>
NET ASSETS - End of the year	<u>\$ 903,553</u>

The accompanying notes are an integral part of this statement.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2008

	General Fund	Special Revenue Fund	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 655,459	\$ -	\$ 655,459
Investments (of which \$308,828 is restricted)	515,032	-	515,032
Due from other governments - grants	-	293,853	293,853
Receivables - contracts and other	-	15,290	15,290
Due from other funds	-	308,828	308,828
Other assets	<u>724</u>	<u>-</u>	<u>724</u>
TOTAL ASSETS	<u>\$ 1,171,215</u>	<u>\$ 617,971</u>	<u>\$ 1,789,186</u>
 LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable and accrued expenses	\$ 193,112	\$ -	\$ 193,112
Retainage payable	31,287	-	31,287
Due to other governments	-	-	-
Due to other funds	308,828	-	308,828
Deferred revenue - grants	-	-	-
Deferred revenue - contracts	<u>-</u>	<u>617,971</u>	<u>617,971</u>
TOTAL LIABILITIES	<u>533,227</u>	<u>617,971</u>	<u>1,151,198</u>
 FUND BALANCE			
Unreserved, reported in:			
General Fund			
Designated for emergencies	471,600	-	471,600
Undesignated	<u>166,388</u>	<u>-</u>	<u>166,388</u>
TOTAL FUND BALANCE	<u>637,988</u>	<u>-</u>	<u>637,988</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,171,215</u>	<u>\$ 617,971</u>	<u>\$ 1,789,186</u>

The accompanying notes are an integral part of this statement.

**SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET ASSETS
September 30, 2008**

	<u>Amount</u>
Total fund balance for governmental funds	\$ 637,988
Amounts reported for governmental activities 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 governmental funds.	
Capital assets not being depreciated:	
Land	<u>375,565</u>
	375,565
Capital assets being depreciated:	
Building, Improvements, Equipment and Vehicles	1,639,518
Less accumulated depreciation	<u>(341,490)</u>
	1,298,028
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Note payable	(1,327,813)
Compensated absences	<u>(80,215)</u>
	(1,408,028)
Elimination of interfund amounts:	
Due from other funds	(308,828)
Due to other funds	<u>308,828</u>
	<u>-</u>
Total net assets of governmental activities	<u><u>\$ 903,553</u></u>

The accompanying notes are an integral part of this statement.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
Year Ended September 30, 2008

	General Fund	Special Revenue Fund	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Federal and state grants	\$ -	\$ 1,652,030	\$ 1,652,030
Contracts and local grants	-	876,538	876,538
County and city assessments	450,432	-	450,432
DRI fees	-	415,337	415,337
DRI monitoring fees	-	8,250	8,250
Interest and miscellaneous	37,386	-	37,386
TOTAL REVENUES	<u>487,818</u>	<u>2,952,155</u>	<u>3,439,973</u>
EXPENDITURES			
Current			
Personal services	352,745	1,733,746	2,086,491
Operating expenditures	42,903	1,061,380	1,104,283
Capital outlay	-	49,303	49,303
Debt service			
Principal retirement	-	50,756	50,756
Interest and fiscal charges	-	76,995	76,995
TOTAL EXPENDITURES	<u>395,648</u>	<u>2,972,180</u>	<u>3,367,828</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>92,170</u>	<u>(20,025)</u>	<u>72,145</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	-	20,025	20,025
Operating transfers out	(20,025)	-	(20,025)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(20,025)</u>	<u>20,025</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	72,145	-	72,145
FUND BALANCE - Beginning of the year	<u>565,843</u>	<u>-</u>	<u>565,843</u>
FUND BALANCE - End of the year	<u>\$ 637,988</u>	<u>\$ -</u>	<u>\$ 637,988</u>

The accompanying notes are an integral part of this statement.

**SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS TO THE STATEMENT
OF ACTIVITIES**

Year Ended September 30, 2008

	<u>Amount</u>
Net change (revenues in excess of expenditures) in fund balance - total governmental funds	\$ 72,145
<p>The increase in net assets reported for governmental activities in the Statement of Activities is different because:</p>	
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Expenditures for capital assets	49,303
Less: current year depreciation	<u>(69,769)</u>
	(20,466)
<p>Repayment of debt principal is reported as an expenditure in the governmental funds and thus contributes to the change in fund balance. In the Statement of Net Assets, however, repayments of debt principal reduces the liability.</p>	
	50,756
<p>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 the governmental funds.</p>	
Increase in compensated absences	(6,056)
<p>Interfund transfers increase or decrease the fund balance of the respective funds; however, the transactions offset in the government-wide statements.</p>	
General fund:	
Operating transfers out	20,025
Special revenue fund:	
Operating transfers in	<u>(20,025)</u>
	<u>-</u>
Increase in net assets of governmental activities	<u><u>\$ 96,379</u></u>

The accompanying notes are an integral part of this statement.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Southwest Florida Regional Planning Council (the "Council") is a governmental agency, created on November 8, 1973 via interlocal agreements as provided by Florida Statute 163.01 and 163.02, as amended, to assist other governmental and private agencies in the planning of projects in the Southwest Florida area under Florida Statute 186.504. The Council acts as a regional planning agency and exercises its rights and duties pursuant to Florida Statutes Chapters 23, 160, 163 and 380. The Council's principal members consist of Charlotte, Collier, Glades, Hendry, Lee and Sarasota Counties. The Council's Board Members are appointed per statutory requirement. The Council is funded through statutory member assessments, various fees, and multiple federal, state, and local grants and contracts.

Specifically, the Council's mission is:

1. To make the most efficient use of its powers to promote cooperation for mutual advantage in order to provide services and facilities that will accord best with geographic, economic, social, land use, transportation, public safety resources, and other factors influencing the needs and development of local communities within its six county region;
2. To serve as a regional coordinator for the local governmental units comprising the region;
3. To exchange information on and review programs of regional concerns;
4. To promote communication between the local governments for the conservation and compatible development of the Southwest region;
5. To cooperate with Federal, State, and local government and non-government agencies to accomplish regional objectives; and
6. To do all things authorized for a Regional Planning Agency under Chapter 163, 186 and 380 of the Florida Statutes and other applicable Florida, Federal, State, and local laws, rules, and regulations.

Summary of significant accounting policies

The following is a summary of the significant accounting policies used in the preparation of these basic financial statements.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Summary of significant accounting policies, continued

The basic financial statements of the Council are comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

Reporting entity

The Council has adopted Governmental Accounting Standards Board (GASB) Statement Number 14, "Financial Reporting Entity" (GASB 14), as amended by GASB Statement Number 39, "Determining Whether Certain Organizations Are Component Units." These Statements require the financial statements of the Council (the primary government) to include its component units, if any. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. Based on the criteria established in GASB Statement 14, as amended, there are no potential component units included or required to be included in the Council's financial statements.

The Council assisted in the creation and establishment of Southwest Florida Resource Conservation and Development Council, Inc. ("Conservation"), an independent Florida not-for-profit corporation. Conservation's mission is to develop a resource conservation plan for its service area, as well as to act as a clearinghouse for other conservation groups and efforts.

The Council provides no direct support to Conservation and does not have authority to exercise economic control over Conservation. The Council, however, provides Conservation with bookkeeping services free of charge. The Council cannot appoint or remove the Board members of Conservation. Therefore, Conservation is not considered a component unit of the Council, and its financial activity is not included within these financial statements.

The Council is the host (sponsoring agency) of the Metropolitan Planning Agency (MPO) and the National Estuary Program (NEP). The MPO and the NEP each operate as functioning entities, and each has a separate Board of Directors and budget. Both the MPO and NEP operate pursuant to authority granted by federal

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Reporting entity, continued

and state law. Both are funded through federal grants and local contributions. Neither entity, however, is a legally separate or independent entity. The Council economically controls both the MPO and NEP. As such, all the financial activity and assets of the MPO and the NEP are accounted for by the Council and reflected in the accompanying financial statements.

The mission of the MPO is to ensure that comprehensive, coordinated highway facilities, mass transit, rail systems, air transportation, and other facilities are located and developed.

The Charlotte Harbor National Estuary Program (NEP) is a partnership that protects the estuaries of Southwest Florida from Venice to Estero Bay. This program gives citizens, elected officials, resource managers, and commercial and recreational resource users in the 4,400-square-mile study area a voice to address diverse resource management concerns, including fish and wildlife habitat loss, water quality degradation, and water flow. The program addresses these concerns through public education, research, restoration, and legislation. The watershed in the program area includes Lee, Charlotte, Hardee, and DeSoto counties and parts of Sarasota, Manatee, and Polk counties.

Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the activities of the Council and do not emphasize fund types. These governmental activities comprise the primary government. General governmental and intergovernmental revenues support the governmental activities. The purpose of the government-wide financial statements is to allow the user to be able to determine if the Council is in a better or worse financial position than the prior year. The effect of all interfund activity between governmental funds has been removed from the government-wide financial statements.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Government-wide Financial Statements, continued

exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement 33, "Accounting and Financial Reporting for Nonexchange Transactions."

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability in the government-wide financial statements, rather than as expenditures.

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 or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital improvements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Program revenues are considered to be revenues generated by services performed and/or by fees charged such as dues, fees, and operating grants and contracts.

Fund Financial Statements

The accounts of the Council are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity or retained earnings, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES, CONTINUED**

Fund Financial Statements, continued

funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. Fund financial statements for the Council's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in aggregate for governmental funds.

Governmental Funds

When both restricted and unrestricted resources are combined in a fund, expenditures are considered to be paid first from restricted resources, as appropriate, and then from unrestricted resources. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay liabilities of the current period.

The Council's major funds are presented in separate columns on the governmental fund financial statements. The definition of a major fund is one that meets certain criteria set forth in GASB Statement Number 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the governmental fund financial statements.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns on the fund financial statements.

Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Measurement Focus and Basis of Accounting, continued

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 have been met.

Governmental fund financial statements are reported using the current financial resources management focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period and soon enough thereafter to pay liabilities of the current period. For this purpose, the Council considers tax revenues to be available if they are collected within sixty days of the end of the current fiscal period.

Revenues susceptible to accrual are interest on investments and intergovernmental revenues. Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized when all eligibility requirements are met.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) principal and interest on the long-term debt, if any, which is recognized when due; and (2) expenditures are generally not divided between years by the recording of prepaid expenditures.

When both restricted and unrestricted resources are available for use, it is the Council's policy to use restricted resources first, then unrestricted resources as they are needed.

Non-current Government Assets/Liabilities

GASB 34 requires non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as notes payable and capital leases to be reported in the governmental activities column in the government-wide Statement of Net Assets.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES, CONTINUED**

Major Funds

The Council reports the following major governmental funds:

The General Fund is the Council's primary operating fund. It accounts for all financial resources of the Council, except those required to be accounted for in another fund.

The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Council accounts for grant proceeds received and grant expenditures incurred in its Special Revenue Fund as well as all contract and special purpose revenue.

Budgetary Information

The Council has elected to report budgetary comparison of major funds as required supplementary information (RSI).

Investments

The Council adheres to the requirements of Governmental Accounting Standards Board (GASB) Statement Number 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," in which all investments are reported at fair value.

Investments, including restricted investments, consist of the State of Florida Local Government Surplus Funds Trust Fund.

Capital Assets

Capital assets, which include land, buildings, furniture and fixtures, equipment, and vehicles, are reported in the government-wide financial statements in the Statement of Net Assets.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Capital Assets, continued

The Council follows a capitalization policy which calls for capitalization of all fixed assets that have a cost or donated value of \$1,000 or more and have a useful life in excess of one year.

All capital assets are valued at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated. Public domain (infrastructure) capital assets consisting of certain improvements other than building, including curbs, gutters, and drainage systems, are not capitalized, as the Council generally does not acquire such assets. No debt-related interest expense is capitalized as part of capital assets in accordance with GASB Statement No. 34.

Maintenance, repairs, and minor renovations are not capitalized. The acquisition of land and construction projects utilizing resources received from Federal and State agencies are capitalized when the related expenditure is incurred.

Expenditures that materially increase values, change capacities, or extend useful lives are capitalized. Upon sale or retirement, the cost is eliminated from the respective accounts.

Expenditures for capital assets are recorded in the fund statements as current expenditures. However, such expenditures are not reflected as expenditures in the government-wide statements, but rather are capitalized and depreciated.

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

<u>Asset</u>	<u>Years</u>
Buildings	45
Improvements Other Than Buildings	7-15
Furniture & Fixtures	7
Equipment	3-10
Vehicles	3

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Budgets and budgetary accounting

The Council has adopted annual budgets for the General Fund and the Special Revenue Fund.

The Council follows these procedures in establishing budgetary data for the General Fund and Special Revenue Fund.

1. During the summer of each year, Council management submits to the Board a proposed operating budget for the fiscal year commencing on October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain public comments.
3. The budget is adopted by approval of the Board Members.
4. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. Budget transfers can be made throughout the year between expenditure accounts by approval of the Board Members. The level of control for appropriations is exercised at the fund level.
6. Budget amounts, as shown in these basic financial statements, are as originally adopted or as amended by the Board Members.
7. Appropriations lapse at year-end.
8. The Board Members approved several budget amendments during the fiscal year ended September 30, 2008. The budget amendments increased total budgeted expenditures by \$565,843 in the General Fund and decreased total budgeted expenditures by \$700,000 in the Special Revenue Fund.

For the year ended September 30, 2008, the Council budgeted expenditures in excess of revenues (after amendments) of \$552,515 in the General Fund, with a transfer out to the Special Revenue Fund of \$13,328 and carryover fund balance of \$565,843 to fund the loss. Expenditures were budgeted in excess of revenues (after

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Budgets and budgetary accounting, continued

amendments) in the Special Revenue Fund for the year ended September 30, 2008 in the amount of \$13,328. This deficiency in the Special Revenue Fund was budgeted to be transferred from the General Fund.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Council because it is at present not necessary to assure effective budgetary control or to facilitate effective cash planning and control.

Compensated absences

The Council's employees accumulate leave based on various criteria including the number of years of continuous service and job classification.

Leave which is requested and approved prior to the day in which it is taken by the employee (vacation) shall be considered to be scheduled leave. At September 30, any scheduled leave accrued above 160 hours shall be used or forfeited. Any employee who is separated from the Council staff by layoff, resignation, death, disability, or other cause shall be paid for the number of working hours of unused scheduled (vacation) leave accrued, not to exceed 160 hours.

Leave not requested/approved prior to the day it is taken (sick time) shall be considered unscheduled. Unscheduled leave may be accumulated to a total of 200 hours. There is no reimbursement for unscheduled leave accrual at the time of an employee's termination from the Council.

Due from other governments

No allowances for losses on uncollectible accounts has been recorded since the Council considers all amounts to be fully collectible.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Management estimates

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

Fund equity

In the governmental fund financial statements, reservation of fund balance indicates amounts that are limited for a specific purpose, not appropriate for expenditure, or are legally segregated for a specific future use. Designations of fund balance represent tentative management plans. Unreserved, undesignated fund balance indicates funds that are available for current expenditure.

Interfund Transactions

The Council considers interfund receivables (due from other funds) and interfund liabilities (due to other funds) to be loan transactions to and from other funds to cover temporary (three months or less) cash needs. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing funds and as reduction of expenditures/expenses in the fund that is reimbursed.

NOTE B - CASH AND CASH EQUIVALENTS

Cash was \$655,459, including cash on hand of \$200 at September 30, 2008.

Deposits

The Council's deposit policy allows deposits to be held in demand deposits and money market accounts. All Council depositories are institutions designated as qualified depositories by the State Treasurer at September 30, 2008.

NOTE B - CASH AND CASH EQUIVALENTS, CONTINUED

The Council's deposits consist of the following at September 30, 2008:

	Bank Balance	Carrying Amount
	<u> </u>	<u> </u>
Depository Accounts	\$ 697,695	\$ 655,259

These deposits were entirely covered by federal depository insurance or by collateral pursuant to the Public Depository Security Act (Florida Statute 280) of the State of Florida. Bank balances approximate market value. Depository accounts are fully insured.

NOTE C - INVESTMENTS

Florida Statutes and the Council's investment policy authorize investments in the Local Government Surplus Funds Trust Fund (SBA) administered by the State Board of Administration. At September 30, 2008, the District had investments held in the Local Government Surplus Funds Trust Fund with a book balance of \$515,032 and a bank balance of \$515,032.

The Local Government Surplus Funds Trust Fund (SBA) is an external 2A7-like investment pool. The Council's investment in the SBA represented less than 1% of the SBA's total investments. Investments held in the SBA include but are not limited to short-term federal agency obligations, treasury bills, repurchase agreements, and commercial paper. These short-term investments are stated at cost, which approximates market value. Investment income is recognized as earned and is allocated to participants of the SBA based on their equity participation.

Restricted investments

At September 30, 2008, investments of \$308,828 was restricted and was comprised of balances reflected as deferred grant and contract revenue, less investments and Special Revenue Fund grants/contracts receivable.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2008

NOTE C - INVESTMENTS, CONTINUED

The Council's investments consist of the following at September 30, 2008:

	Carrying Amount		Bank Balance
	General Fund	Special Revenue Fund	Total
<u>Unrestricted</u>			
SBA Investment Pool	\$ 206,204	\$ -	\$ 206,204
<u>Restricted</u>			
SBA Investment Pool	<u>308,828</u>	<u>-</u>	<u>308,828</u>
	<u>\$ 515,032</u>	<u>\$ -</u>	<u>\$ 515,032</u>

These investments were entirely covered by federal depository insurance or by collateral pursuant to the Public Depository Security Act (Florida Statute 280) of the State of Florida. Bank balances approximate market value.

The State Board of Administration Investment Pool is not categorized by risk assessment as it is not evidenced by securities that exist in physical or book entry form.

During the year ended September 30, 2008, the State Board of Administration (SBA) encountered an issue with sub-prime mortgages and had a state-wide run on its assets. At this time, the SBA restricted a portion of funds, known as SBA "B" shares, from each participating government. The restricted funds cannot be withdrawn, but will eventually be released from restriction.

As of September 30, 2008, \$22,630 of the Council's total SBA funds of \$515,032 were held in SBA "B" shares and considered illiquid. It is the belief of the SBA that the remaining balance may, in whole or in part, be recovered. However, it may not be available for up to one year. No loss of principal has been recorded at September 30, 2008, as no loss amount, if any, is determinable.

**SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2008**

NOTE D - DUE FROM OTHER GOVERNMENTS - GRANTS

Grants receivable consisted of the following at September 30, 2008:

	<u>Amount</u>
<u>Federal</u>	
National Estuary Program - Charlotte Harbor (CFDA 66.456)	\$ 8,148
Regional Wetlands Program Development (CFDA 66.461)	17,622
FDOT - PL Sec. 112-MPO-08-09 (CFDA 20.205)	108,392
Hazardous Materials Emergency Preparedness - Planning & Training (CFDA 20.703)	20,278
Economic Development (CFDA 11.302)	2,638
Charlotte Harbor National Estuary Program (CFDA 11.419)	7,731
Hazard Mitigation - FL Evacuation Study (CFDA 97.039)	31,340
Training & Exercise Plan (CFDA 97.067)	<u>9,212</u>
Total due from other governments - federal grants	<u>205,361</u>
<u>State</u>	
DCA General Revenue 2008-2009 (CSFA 52.006)	60,524
DCA Title III 2008-2009 (CSFA 52.023)	16,075
Glades / Hendry Counties - TD - Year 19 (CSFA 55.002)	6,854
Lee County - TD - Year 19 (CSFA 55.002)	<u>5,039</u>
Total due from other governments - state grants	<u>88,492</u>
Total due from other governments - grants	<u>\$ 293,853</u>

The grants receivable balances as of September 30, 2008 are considered by management to be fully collectible.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2008

NOTE E - CAPITAL ASSETS ACTIVITY

The following is a summary of changes in capital assets activity for the year ended September 30, 2008:

	Balance October 1 2007	Increases/ Additions	Decreases/ Deletions	Adjustments/ Reclassifications	Balance September 30 2008
Capital Assets Not Being Depreciated:					
Land	\$ 375,565	\$ -	\$ -	\$ -	\$ 375,565
Total Capital Assets Not Being Depreciated	<u>375,565</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>375,565</u>
Capital Assets Being Depreciated:					
Building & improvements	1,347,943	7,450	-	-	1,355,393
Furniture & fixtures	21,550	-	-	-	21,550
Equipment	230,601	20,066	(9,879)	-	240,788
Vehicles	<u>14,292</u>	<u>21,787</u>	<u>(14,292)</u>	<u>-</u>	<u>21,787</u>
Total Capital Assets Being Depreciated	<u>1,614,386</u>	<u>49,303</u>	<u>(24,171)</u>	<u>-</u>	<u>1,639,518</u>
Less Accumulated Depreciation:					
Building & improvements	(95,821)	(36,788)	-	-	(132,609)
Furniture & fixtures	(10,264)	(3,079)	-	-	(13,343)
Equipment	(175,515)	(29,902)	9,879	-	(195,538)
Vehicles	<u>(14,292)</u>	<u>-</u>	<u>14,292</u>	<u>-</u>	<u>-</u>
Total Accumulated Depreciation	<u>(295,892)</u>	<u>(69,769)</u>	<u>24,171</u>	<u>-</u>	<u>(341,490)</u>
Total Capital Assets Being Depreciated, Net	<u>1,318,494</u>	<u>(20,466)</u>	<u>-</u>	<u>-</u>	<u>1,298,028</u>
Capital Assets, Net	<u>\$ 1,694,059</u>	<u>\$ (20,466)</u>	<u>\$ -</u>	<u>\$ -</u>	1,673,593
				Related debt	<u>(1,327,813)</u>
				Net assets invested in capital assets, net of related debt	<u>\$ 345,780</u>

**SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2008**

NOTE E - CAPITAL ASSETS ACTIVITY, CONTINUED

Depreciation expense was charged to the following functions during the year ended September 30, 2008:

	<u>Amount</u>
General Government	<u>\$ 69,769</u>
Total Depreciation Expense	<u><u>\$ 69,769</u></u>

NOTE F - DUE TO/FROM OTHER FUNDS

Interfund receivables and payables at September 30, 2008, are as follows:

<u>Fund</u>	<u>Due from other funds</u>	<u>Due to other funds</u>
General Fund:		
Special Revenue Fund	<u>\$ -</u>	<u>\$ 308,828</u>
Total General Fund	<u>-</u>	<u>308,828</u>
Special Revenue Fund:		
General Fund	<u>308,828</u>	<u>-</u>
Total Special Revenue Fund	<u>308,828</u>	<u>-</u>
Total	<u><u>\$ 308,828</u></u>	<u><u>\$ 308,828</u></u>

Interfund receivables and payables were eliminated for presentation purposes in the statement of net assets for the year ended September 30, 2008.

NOTE G - DUE TO OTHER GOVERNMENTS

In October 2001, the Council entered into a contractual services agreement with the Florida Department of Community Affairs ("DCA") to administer the Lake Okeechobee Small Business Emergency Loan Program. The loan program provides temporary working capital to viable, established small businesses in communities around Lake Okeechobee that experienced adverse economic impacts as a result of the combined effects of the drought and the draw down of Lake Okeechobee water levels and that, as a result of these events, are experiencing difficulty surviving or continuing business operations.

NOTE G - DUE TO OTHER GOVERNMENTS, CONTINUED

The purpose of these loans is to facilitate business survival and support the economy of these areas.

The individual business loans are for a period of five (5) years. The loans are interest free and require no payments for the first eighteen (18) months of the term of the loan. Beginning the nineteenth (19) month, monthly principal and interest payments are required, and interest accrues on the outstanding, unpaid principal balance at 3% simple interest per annum.

Beginning July 1, 2003, upon the commencement of repayment of the loans and the collection of interest earned from short-term investments as well as interest and other penalties collected from the program borrowers, the Council was required to remit funds to the Florida Department of Community Affairs on a quarterly basis.

The Council is not directly liable and does not appear to be contingently liable for any unpaid business loans granted under the Lake Okeechobee Small Business Emergency Loan Program.

During the year ended September 30, 2007, the Council received confirmation from DCA that it had fulfilled its obligation to collect loan balances under the Lake Okeechobee Small Business Emergency Loan Program. In October 2007, the Council paid DCA the balance due at September 30, 2007 of \$6,780. This payment represents the only activity under the loan program during the year ended September 30, 2008. Therefore, there was no balance due to other governments at September 30, 2008.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2008

NOTE H - DEFERRED REVENUE - CONTRACTS

Deferred revenue related to contracts consisted of the following at September 30, 2008:

	<u>Amount</u>
NEP - Local	\$ 374,243
MPO - Miscellaneous Local	41,414
Economic Development - Incubator Network	15,500
DRI workshop	15,113
October Jt. workshop	3,813
DRIs - Isles of Athena	15,835
DRIs - The Fountains	23,000
DRIs - Punta Gorda Town Center	3,335
DRIs - SIPOC	5,044
DRIs - Bryan Paul	8,976
DRIs - Rattlesnake	3,983
DRIs - Babcock	10,740
DRIs - Harborview SD	11,916
DRIs - FGCU Tech & Research Park	15,280
DRIs - Sunrock Groves	5,948
DRIs - Tradeport	697
DRIs - Gulf Shore Gardens	5,224
DRIs - Magnolia Landing (Heron's Glen)	929
DRIs - Old Corkscrew Plantation	3,506
DRIs - Big Cypress	8,923
DRIs - Palmer Ranch MDO	10,736
DRIs - Premier Airport Park	7,089
DRIs - Alico (Three Oaks Parkway)	8,905
DRIs - Lakewood Ranch	8,830
NOPCs - Alico (Three Oaks Parkway)	396
NOPCs - Lakewood Ranch	1,277
NOPCs - Arborwood	2,057
NOPCs - Indian Oaks Trade Center	1,961
NOPCs - Buccaneer Mobile Home Estate	1,140
NOPCs - Stoneybrook	702
NOPCs - Shell Point Retirement	671
NOPCs - GCTC	<u>788</u>
Total deferred revenue - contracts	<u>\$ 617,971</u>

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2008

NOTE I - LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the fiscal year ended September 30, 2008:

	Balance October 1 2007	Additions	Retirements / Adjustments	Balance September 30 2008	Amounts Due Within One Year
Note Payable	\$ 1,378,569	\$ -	\$ (50,756)	\$ 1,327,813	\$ 53,715
Compensated Absences	<u>74,159</u>	<u>6,056</u>	<u>-</u>	<u>80,215</u>	<u>-</u>
	<u>\$ 1,452,728</u>	<u>\$ 6,056</u>	<u>\$ (50,756)</u>	<u>\$ 1,408,028</u>	<u>\$ 53,715</u>

The following is a summary of the long-term obligations at September 30, 2008:

	<u>Amount</u>
\$1,525,000 note payable monthly to financial institution in the amount of \$10,646 including interest at 5.68% to finance the purchase of an office building. The note is uncollateralized except for available general revenue. Final principal payment of \$826,523 due June 1, 2016.	\$ 1,327,813
Non-current portion of compensated absences. Employees of the Council are entitled to paid scheduled (vacation) leave based on length of service and job classification.	<u>80,215</u>
	<u>\$ 1,408,028</u>

The annual debt service requirements at September 30, 2008 were as follows:

Year Ending September 30	Total Principal	Total Interest	Total
Note payable:			
2009	\$ 53,715	\$ 74,036	\$ 127,751
2010	56,847	70,904	127,751
2011	60,161	67,590	127,751
2012	63,669	64,082	127,751
2013	67,381	60,370	127,751
2014-2016	<u>1,026,040</u>	<u>145,065</u>	<u>1,171,105</u>
Total Note Payable	1,327,813	482,047	1,809,860
Accrued compensated absences	<u>80,215</u>	<u>-</u>	<u>80,215</u>
Total Long-Term Debt	<u>\$ 1,408,028</u>	<u>\$ 482,047</u>	<u>\$ 1,890,075</u>

NOTE I - LONG-TERM LIABILITIES, CONTINUED

Interest expense related to the note payable for the year ended September 30, 2008 was \$76,995.

The Council's outstanding note payable contains several covenants that require the Council to ensure compliance, including a debt service ratio as well as facilities maintenance, insurance and reporting requirements.

NOTE J - PENSION PLAN - FLORIDA RETIREMENT SYSTEM (FRS)

Plan description and provisions

Substantially all Council employees are participants in the statewide Florida Retirement System (FRS) under the authority of Article X, Section 14 of the State Constitution and Florida Statutes, Chapters 112 and 121. The FRS is noncontributory and is totally administered by the State of Florida. The Council contributed 100% of the required contributions. Pension costs for the Council ranged between 9.85% and 13.12% of gross wages for the year ended September 30, 2008. The Council's contributions to the plan were \$165,357, \$160,037, and \$122,376 for the fiscal years ended September 30, 2008, 2007, and 2006, respectively. There were no employee contributions to the plan. The Council's covered payroll for the years ended September 30, 2008, 2007, and 2006 was \$1,595,554, \$1,543,914, and \$1,434,620, respectively.

Employees who retire at or after age 62 with 6 years of creditable service, 6 years of senior management service and age 62, 6 years of special risk service and age 55, or 30 years of service (25 years for special risk) regardless of age, are entitled to a retirement benefit, payable monthly for life, equal to 1.6% to 3.0% per year of creditable service, depending on the class of employee (regular, special risk, etc.) based on average final compensation of the five (5) highest fiscal years' compensation.

Benefits vest after six years (six years for senior management) of credited service. Vested employees may retire anytime after vesting and incur a 5% benefit reduction for each year prior to normal retirement age.

Early retirement, disability, death, and survivor benefits are also offered. Benefits are established by State Statute. The plan provides for a constant 3% cost-of-living adjustment for retirees.

NOTE J - PENSION PLAN - FLORIDA RETIREMENT SYSTEM (FRS), CONTINUED

Plan description and provisions, continued

The Plan also provides several other plan and/or investment options that may be elected by the employee. Each offers specific contribution and benefit options. The Plan documents should be referenced for complete detail.

Description of funding policy

This is a cost sharing, multi-employer plan available to governmental units within the state, and actuarial information with respect to an individual participating entity is not available. Participating employers are required, by Statute, to pay monthly contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due.

Plan information

A copy of the FRS's June 30, 2008 annual report can be obtained by writing to the Florida Division of Retirement, Cedars Executive Center, 2639-C North Monroe Street, Tallahassee, Florida 32399-1560, or by calling (850) 488-5706.

Other post employment benefits

The Council provides post retirement health care benefits to eligible employees. Upon retirement from the Council and becoming a recipient of monies from the State of Florida Retirement Trust Fund (FRS), eligible retired employees are qualified for continued health insurance benefits. Eligible retired employees have their medical insurance premiums paid by the Council, but are required to reimburse the Council for 100% of the premiums paid by the Council on their behalf.

NOTE K - PENSION PLAN - 457 DEFERRED COMPENSATION

In May 1990, the Council approved a resolution to establish a deferred compensation plan to be made available to all eligible Council employees pursuant to Section 457 of the Internal Revenue Code. With the exception of the Executive Director, all contributions to the plan are voluntary deductions from employees' wages, with no contributions to the plan made by the Council.

NOTE K - PENSION PLAN - 457 DEFERRED COMPENSATION, CONTINUED

Effective October 18, 2007, the Council agreed to an employment contract with the Executive Director. According to the agreement, the Council will contribute five percent (5%) of the Executive Director's annual salary into the 457 deferred compensation plan (457 Plan). Contributions by the Council to the 457 Plan on behalf of the Executive Director totaled \$5,276 for the year ended September 30, 2008.

NOTE L - COMMITMENTS/CONTINGENCIES

Grants

The Council is currently receiving, and has received in the past, grants which are subject to special compliance audits by the grantor agency. The grantor agency may at times disallow expenditure amounts associated with a contract based on the outcome of an audit. These amounts would constitute a contingent liability of the Council. The Council has not, as of September 30, 2008, been notified of any existing contingent liabilities related to prior grants or the grants currently in process. The Council has not had any special compliance audits conducted by grantor agencies or any disallowed costs during the year ended September 30, 2008. The management of the Council does not believe contingent liabilities, if any exist, to be material.

NOTE M - OPERATING LEASE COMMITMENTS

Leases

The Council leases certain copiers and equipment, along with a storage unit, under agreements classified as operating leases.

Future minimum lease payments under the operating leases are as follows:

Years Ending September 30	Amount
2009	\$ 36,420
2010	36,420
2011	36,420
2012	27,825
	<u>\$ 137,085</u>

For the year ended September 30, 2008, total rent expense was \$33,868, consisting of equipment rent expense of \$31,602 and storage unit rent expense of \$2,266.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2008

NOTE N - ECONOMIC DEPENDENCE

The Council's operations are substantially dependent on the receipt of revenue from grantor and contract agencies. Loss of these funds and/or large decreases in this type of funding would have a material effect on the financial position of the Council and a negative impact on overall operations. For the fiscal year ended September 30, 2008, approximately 74% of total revenue is attributable to funds received from grantor and contract agencies.

NOTE O - INDIRECT EXPENDITURES

Indirect expenditures allocated to the Special Revenue Fund during the year ended September 30, 2008, consist of the following:

	<u>Amount</u>
Personal services:	
Salaries and fringe benefits	\$ 773,173
Operating expenditures:	
Professional fees	53,624
Telephone, rent, supplies, etc.	84,956
Miscellaneous and insurance	32,337
Computer supplies and graphics	49,265
Professional development/meetings	18,550
Travel	8,503
Postage	(1,574)
Printing/reproduction	5,703
Advertising	619
Publications	1,768
Utilities	<u>23,053</u>
Total operating expenditures	<u>276,804</u>
Capital outlay	47,057
Debt service	<u>127,751</u>
Total indirect expenditures	<u>\$ 1,224,785</u>

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2008

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NOTE P - IMPLEMENTATION OF GASB STATEMENT NO. 45

The Governmental Accounting Standards Board (GASB) has issued Statement No. 45, "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions." This Statement will change the manner in which a governmental entity funds and records its post retirement benefit costs other than pension. Specifically, governments will have to actuarially accrue and fund costs rather than fund them on a pay-as-you-go basis, as is currently the method used. This Statement may have a significant effect on the Council's annual budget. The effective date of this Statement varies, depending on a government's total revenues during a lookback period. GASB Statement No. 45 is effective for the year ended September 30, 2008 for Phase I governments. However, the Council is considered a Phase III government, therefore this Statement is effective for the year ended September 30, 2010.

**REQUIRED SUPPLEMENTARY
INFORMATION
OTHER THAN MD&A**

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -
SUMMARY STATEMENT
Year Ended September 30, 2008

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Federal and state grants	\$ -	\$ -	\$ -	\$ -
Contracts and local grants	-	-	-	-
County and city assessments	450,432	450,432	450,432	-
DRI fees	-	-	-	-
DRI monitoring fees	-	-	-	-
Interest and miscellaneous	30,000	30,000	37,386	7,386
TOTAL REVENUES	<u>480,432</u>	<u>480,432</u>	<u>487,818</u>	<u>7,386</u>
EXPENDITURES				
Current				
Personal services	561,663	561,663	352,745	208,918
Operating expenditures	(99,559)	466,384	42,903	423,481
Capital outlay	5,000	4,900	-	4,900
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
TOTAL EXPENDITURES	<u>467,104</u>	<u>1,032,947</u>	<u>395,648</u>	<u>637,299</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>13,328</u>	<u>(552,515)</u>	<u>92,170</u>	<u>644,685</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	-	-
Operating transfers out	-	(13,328)	(20,025)	(6,697)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(13,328)</u>	<u>(20,025)</u>	<u>(6,697)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>13,328</u>	<u>(565,843)</u>	<u>72,145</u>	<u>637,988</u>
FUND BALANCE, October 1, 2007	<u>-</u>	<u>565,843</u>	<u>565,843</u>	<u>285,843</u>
FUND BALANCE, September 30, 2008	<u>\$ 13,328</u>	<u>\$ -</u>	<u>\$ 637,988</u>	<u>\$ 923,831</u>

The accompanying notes are an integral part of this statement.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -
DETAILED STATEMENT
Year Ended September 30, 2008

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Federal and state grants	\$ -	\$ -	\$ -	\$ -
Contracts and local grants	-	-	-	-
County and city assessments	450,432	450,432	450,432	-
DRI fees	-	-	-	-
DRI monitoring fees	-	-	-	-
Interest and miscellaneous	30,000	30,000	37,386	7,386
TOTAL REVENUES	<u>480,432</u>	<u>480,432</u>	<u>487,818</u>	<u>7,386</u>
EXPENDITURES				
Current				
Personal services				
Salaries	642,164	642,164	654,787	(12,623)
Fringe benefits:				
FICA	125,000	125,000	121,301	3,699
Retirement	170,000	170,000	170,633	(633)
Health Insurance	230,000	230,000	171,950	58,050
Workers Compensation/unemployment	15,000	15,000	7,247	7,753
Allocation of indirect expenditures	(620,501)	(620,501)	(773,173)	152,672
Total personal services	<u>561,663</u>	<u>561,663</u>	<u>352,745</u>	<u>208,918</u>
Operating expenditures				
Professional fees:				
Legal fees	10,000	2,000	-	2,000
Consultant fees	10,000	10,000	4,585	5,415
Audit fees	47,000	49,100	49,039	61
Telephone, rent, supplies, etc:				
Office supplies	18,000	18,000	20,711	(2,711)
Equipment rental	47,000	47,000	31,491	15,509
Storage unit rental	3,100	2,100	1,376	724
Repairs and maintenance	40,000	40,000	24,924	15,076
Telephone	13,000	13,000	7,688	5,312
Miscellaneous and insurance:				
Insurance	34,000	34,000	31,056	2,944
Other miscellaneous	3,000	1,000	1,280	(280)
Computer supplies and graphics	40,000	40,000	49,715	(9,715)
Professional development/meetings:				
Professional development/dues	20,000	29,000	37,610	(8,610)
Meetings/events	20,000	20,000	8,488	11,512
Travel	23,000	23,000	17,990	5,010

The accompanying notes are an integral part of this statement.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -
DETAILED STATEMENT, CONTINUED
Year Ended September 30, 2008

	General Fund			Variance Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
Operating expenditures (continued)				
Postage	19,000	19,000	68	18,932
Printing/reproduction	12,000	12,000	7,559	4,441
Utilities	32,000	32,000	23,053	8,947
Advertising	2,500	2,500	1,306	1,194
Publications	9,500	9,500	1,768	7,732
NEP grant expenses	-	-	-	-
MPO grant expenses	-	-	-	-
Reserves - operations	-	565,843	-	565,843
Allocation of indirect expenditures	(502,659)	(502,659)	(276,804)	(225,855)
Total operating expenditures	(99,559)	466,384	42,903	423,481
Capital outlay				
Capital purchases	5,000	4,900	47,057	(42,157)
Allocation of indirect expenditures	-	-	(47,057)	47,057
Total capital outlay	5,000	4,900	-	4,900
Debt service				
Principal retirement	-	-	50,756	(50,756)
Interest and fiscal charges	-	-	76,995	(76,995)
Allocation of indirect expenditures	-	-	(127,751)	127,751
Total debt service	-	-	-	-
TOTAL EXPENDITURES	467,104	1,032,947	395,648	637,299
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	13,328	(552,515)	92,170	644,685
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	-	-
Operating transfers out	-	(13,328)	(20,025)	(6,697)
TOTAL OTHER FINANCING SOURCES (USES)	-	(13,328)	(20,025)	(6,697)
EXCESS OF REVENUES & OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES & OTHER FINANCING USES	13,328	(565,843)	72,145	637,988
FUND BALANCE, October 1, 2007	-	565,843	565,843	-
FUND BALANCE, September 30, 2008	\$ 13,328	\$ -	\$ 637,988	\$ 637,988

The accompanying notes are an integral part of this statement.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - SPECIAL REVENUE
FUND - SUMMARY STATEMENT
Year Ended September 30, 2008

	Special Revenue Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Federal and state grants	\$ 2,228,803	\$ 2,228,803	\$ 1,652,030	\$ (576,773)
Contracts and local grants	1,446,262	732,934	876,538	143,604
County and city assessments	-	-	-	-
DRI fees	240,000	240,000	415,337	175,337
DRI monitoring fees	10,000	10,000	8,250	(1,750)
Interest and miscellaneous	-	-	-	-
TOTAL REVENUES	<u>3,925,065</u>	<u>3,211,737</u>	<u>2,952,155</u>	<u>(259,582)</u>
EXPENDITURES				
Current				
Personal services	1,710,756	1,665,256	1,733,746	(68,490)
Operating expenditures	1,897,309	1,368,709	1,061,380	307,329
Capital outlay	189,000	63,100	49,303	13,797
Debt service				
Principal retirement	48,000	48,000	50,756	(2,756)
Interest and fiscal charges	80,000	80,000	76,995	3,005
TOTAL EXPENDITURES	<u>3,925,065</u>	<u>3,225,065</u>	<u>2,972,180</u>	<u>252,885</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(13,328)</u>	<u>(20,025)</u>	<u>(6,697)</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	13,328	20,025	6,697
Operating transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>13,328</u>	<u>20,025</u>	<u>6,697</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, October 1, 2007	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, September 30, 2008	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - SPECIAL REVENUE
FUND - DETAILED STATEMENT
Year Ended September 30, 2008

	Special Revenue Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Federal and state grants	\$ 2,228,803	\$ 2,228,803	\$ 1,652,030	\$ (576,773)
Contracts and local grants	1,446,262	732,934	876,538	143,604
County and city assessments	-	-	-	-
DRI fees	240,000	240,000	415,337	175,337
DRI monitoring fees	10,000	10,000	8,250	(1,750)
Interest and miscellaneous	-	-	-	-
TOTAL REVENUES	<u>3,925,065</u>	<u>3,211,737</u>	<u>2,952,155</u>	<u>(259,582)</u>
EXPENDITURES				
Current				
Personal services				
Salaries	1,090,255	1,044,755	960,573	84,182
Fringe benefits:				
FICA	-	-	-	-
Retirement	-	-	-	-
Health Insurance	-	-	-	-
Workers Compensation/unemployment	-	-	-	-
Allocation of indirect expenditures	620,501	620,501	773,173	(152,672)
Total personal services	<u>1,710,756</u>	<u>1,665,256</u>	<u>1,733,746</u>	<u>(68,490)</u>
Operating expenditures				
Professional fees:				
Legal fees	-	-	-	-
Consultant fees	148,000	49,200	54,524	(5,324)
Audit fees	-	-	-	-
Telephone, rent, supplies, etc:				
Office supplies	10,500	13,100	6,656	6,444
Equipment rental	-	-	111	(111)
Storage unit rental	1,000	1,000	890	110
Repairs and maintenance	-	-	-	-
Telephone	7,000	7,000	2,167	4,833
Miscellaneous and insurance:				
Insurance	-	-	-	-
Other miscellaneous	4,250	4,250	455	3,795
Computer supplies and graphics	15,000	15,200	3,165	12,035
Professional development/meetings:				
Professional development/dues	20,000	18,000	8,055	9,945
Meetings/events	48,800	43,800	30,754	13,046
Travel	37,500	35,500	27,876	7,624

The accompanying notes are an integral part of this statement.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - SPECIAL REVENUE
FUND - DETAILED STATEMENT, CONTINUED
Year Ended September 30, 2008

	Special Revenue Fund			Variance
	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Operating expenditures (continued)				
Postage	21,000	31,000	26,107	4,893
Printing/reproduction	91,000	91,000	85,716	5,284
Utilities	-	-	-	-
Advertising	7,050	12,450	12,587	(137)
Publications	1,100	1,100	534	566
NEP grant expenses	272,300	319,300	380,741	(61,441)
MPO grant expenses	710,150	224,150	144,238	79,912
Allocation of indirect expenditures	502,659	502,659	276,804	225,855
Total operating expenditures	<u>1,897,309</u>	<u>1,368,709</u>	<u>1,061,380</u>	<u>307,329</u>
Capital outlay				
Capital purchases	189,000	63,100	2,246	60,854
Allocation of indirect expenditures	-	-	47,057	(47,057)
Total capital outlay	<u>189,000</u>	<u>63,100</u>	<u>49,303</u>	<u>13,797</u>
Debt service				
Principal retirement	48,000	48,000	-	48,000
Interest and fiscal charges	80,000	80,000	-	80,000
Allocation of indirect expenditures	-	-	127,751	(127,751)
Total debt service	<u>128,000</u>	<u>128,000</u>	<u>127,751</u>	<u>249</u>
TOTAL EXPENDITURES	<u>3,925,065</u>	<u>3,225,065</u>	<u>2,972,180</u>	<u>252,885</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(13,328)</u>	<u>(20,025)</u>	<u>(6,697)</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	13,328	20,025	6,697
Operating transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>13,328</u>	<u>20,025</u>	<u>6,697</u>
EXCESS OF REVENUES & OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES & OTHER FINANCING USES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, October 1, 2007	-	-	-	-
FUND BALANCE, September 30, 2008	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

**SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year ended September 30, 2008**

Grantor Agency/Program Title	Federal CFDA/ Number	Grantor's Number	Program or Award Amount	Receipts/ Revenue	Disbursements/ Expense
FEDERAL AGENCY					
<u>Environmental Protection Agency</u>					
National Estuary Program - Charlotte Harbor	66.456	CE-96457406-4	\$ 1,597,350	\$ 171,282	(1) \$ 171,282
Regional Wetlands Program Development Grant	66.461	CD-96484907-0	470,494	74,502	(2) 74,502
			<u>2,067,844</u>	<u>245,784</u>	<u>245,784</u>
<u>Federal Highway Administration/US DOT</u>					
Passed through Florida Department of Transportation:					
FDOT-PL Sec. 112-MPO-08-09					
Contract from 7/1/08 to 6/30/09	20.205	* PL-0261(46)-416340-1-14-01	289,232	159,617	(3) 159,617
FDOT-PL Sec. 112-MPO-07-08					
Contract from 7/1/07 to 6/30/08	20.205	* PL-0261(45)-414326-1-14-01	740,556	397,076	397,076
FTA Section 5303 (Passed through from MPO)	20.505	205111-1-14-16 / AN562	144,212	102,558	102,558
FTA Section 5303 (Passed through from MPO)	20.505	A0259/410115 114/ FL-80-X017	140,667	-	-
			<u>1,314,667</u>	<u>659,251</u>	<u>659,251</u>
<u>U.S. Department of Transportation</u>					
Passed through Florida Department of Community Affairs Division of Emergency Management					
Hazardous Materials Emergency Preparedness					
Planning & Training	20.703	08-DT-72-13-00-21-291	43,783	43,783	(4) 45,206
			<u>43,783</u>	<u>43,783</u>	<u>45,206</u>
<u>U.S. Department of Commerce</u>					
Economic Development					
Contract from 1/1/08 to 12/31/10	11.302	04-83-06028	159,000	33,553	(5) 33,553
Development of Regional Incubator Network	11.302	04-06-06090	30,000	-	-
National Oceanic and Atmospheric Administration					
Passed through Florida Department of Environmental Protection Coastal Zone Management Program					
Charlotte Harbor National Estuary Program	11.419	CZ814	16,096	15,020	(6) 15,020
			<u>205,096</u>	<u>48,573</u>	<u>48,573</u>
<u>Department of Homeland Security</u>					
Passed through Florida Department of Community Affairs / Division of Emergency Management					
Passed through Northeast Florida Regional Planning Council					
Hazard Mitigation - Florida Regional Evacuation Study	97.039	07-HS-32-00-21-355	251,000	80,474	(7) 80,474
Homeland Security Exercise and Evaluation Program (HSEEP)	97.067	08-DS-01-13-00-21-026	6,000	6,000	6,539
Training and Exercise Plan	97.067	08-DS-01-13-00-22-345	9,212	9,212	(8) 9,294
			<u>266,212</u>	<u>95,686</u>	<u>96,307</u>
			<u>3,897,602</u>	<u>1,093,077</u>	<u>1,095,121</u>

* Designates Type A Major Grant Project

(1) Includes receivable of \$8,148

(2) Includes receivable of \$17,622

(3) Includes receivable of \$108,392

(4) Includes receivable of \$20,278

(5) Includes receivable of \$2,638

(6) Includes receivable of \$7,731

(7) Includes receivable of \$31,340

(8) Includes receivable of \$9,212

The accompanying notes are an integral part of this statement.

**SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year ended September 30, 2008**

Grantor Agency/Program Title	State CSFA Number		Grantor's Number	Program or Award Amount	Receipts/ Revenue		Disbursements/ Expense
STATE OF FLORIDA							
<u>Department of Community Affairs</u>							
DCA General Revenue 2007-2008	52.006	*	08-DR-95-13-00-21-009	313,230	290,873		291,820
DCA General Revenue 2008-2009	52.006	*	09-DR-AZ-13-00-21-009	214,331	60,524	(9)	60,524
				<u>527,561</u>	<u>351,397</u>		<u>352,344</u>
DCA Title III / Division of Emergency Management, Hazardous Materials 2007-2008	52.023		08-CP-04-13-00-21-129	40,909	20,807		23,117
DCA Title III / Division of Emergency Management, Hazardous Materials 2008-2009	52.023		09-CP-04-13-00-21-112	40,909	16,075	(10)	16,075
				<u>81,818</u>	<u>36,882</u>		<u>39,192</u>
<u>Florida Department of Environmental Protection</u>							
Ecosystem Management and Restoration Trust Fund Charlotte Harbor National Estuary Program Support	37.051		S0157	300,000	150,000		150,000
				<u>300,000</u>	<u>150,000</u>		<u>150,000</u>
<u>Florida Department of Transportation</u>							
Passed through the Commission for the Transportation Disadvantaged							
Glades/Hendry Counties - TD - Year 19	55.002		AP637	35,098	6,854	(11)	6,854
Lee County - TD - Year 19	55.002		AP657	29,178	5,039	(12)	5,039
				<u>64,276</u>	<u>11,893</u>		<u>11,893</u>
Passed through the Commission for the Transportation Disadvantaged							
Glades/Hendry Counties - TD - Year 18	55.002		AOR79	35,114	26,336		31,993
Lee County - TD - Year 18	55.002		AOR91	28,701	21,526		26,602
				<u>63,815</u>	<u>47,862</u>		<u>58,595</u>
TOTAL STATE FINANCIAL AWARDS				<u>1,037,470</u>	<u>598,034</u>		<u>612,024</u>
TOTAL FEDERAL AND STATE FINANCIAL AWARDS				<u>\$ 4,935,072</u>	<u>\$ 1,691,111</u>	(13)	<u>\$ 1,707,145</u>

*Designates Type A Major Grant Project

(9) Includes receivable of \$60,524

(10) Includes receivable of \$16,075

(11) Includes receivable of \$6,854

(12) Includes receivable of \$5,039

(13) Exceeds total federal and state grant revenue of \$1,652,030 for the year ended September 30, 2008 (as reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds) due to the following:

- FTA Section 5303 revenue listed on the Schedule of Expenditures of Federal Awards and State Financial Assistance includes \$26,581 not received by the Council (received & deposited directly by Lee County Transit)
- State grant revenue for the year ended September 30, 2008 (as reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds) includes a \$12,500 write down of a September 30, 2007 receivable deemed uncollectible. The \$12,500 was recognized as revenue for the year ended September 30, 2007 on the Schedule of Expenditures of Federal Awards and State Financial Assistance under the following program: SB 360 Implementation, Transportation Assessment and Concurrency Management System

The accompanying notes are an integral part of this statement.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS AND STATE FINANCIAL ASSISTANCE
September 30, 2008

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NOTE A - BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards and State Financial Assistance has been prepared on an accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America and is in accordance with the provisions of OMB Circular A-133, the Florida Single Audit Act (FS, 215.97), and the State of Florida Rules of the Auditor General 10.650.

Expenditures reported on the Schedule of Expenditures of Federal Awards and State Financial Assistance include cash disbursements, whether capitalized or expensed, during the fiscal year as well as grant related amounts recorded as payable at year end. Revenues reported on the Schedule of Expenditures of Federal Awards and State Financial Assistance include cash receipts, whether recognized or deferred, as well as grant receivables recorded at year end.

NOTE B - INDIRECT COSTS

The Council did routinely allocate costs to Federal Awards and State Financial Assistance programs. Costs charged to such programs were direct costs unless specifically incurred for the program and allowed and indicated as such. Indirect costs are allocated to the functions and programs based upon various methods which reflect appropriate cost, usage and/or benefit by the function and program.

**ADDITIONAL REPORTS OF
INDEPENDENT AUDITOR**



TUSCAN
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 Private Companies Practice Section
 Tax Division

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

Executive Committee and Council Members
 Southwest Florida Regional Planning Council
 1926 Victoria Avenue
 Fort Myers, Florida 33901

We have audited the basic financial statements of Southwest Florida Regional Planning Council ("the Council") as of and for the year ended September 30, 2008, and have issued our report thereon dated December 1, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in 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 Southwest Florida Regional Planning Council's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of Southwest Florida Regional Planning Council's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Southwest Florida Regional Planning Council's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such

EXPERIENCE KNOWLEDGE INTEGRITY SERVICE

that there is more than a remote likelihood that a misstatement of Southwest Florida Regional Planning Council's financial statements that is more than inconsequential will not be prevented or detected by Southwest Florida Regional Planning Council's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the basic financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section would not necessarily identify all 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. We also noted certain other matters that we reported to management in our Report to Management dated December 1, 2008.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southwest Florida Regional Planning Council's basic 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 basic 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 the Executive Committee and Council Members, management, the Auditor General of the State of Florida and other federal and state agencies. This report is not intended to be used, and should not be used, by anyone other than these specified parties.

Tuscan & Company, P.A.

TUSCAN & COMPANY, P.A.

Fort Myers, Florida

December 1, 2008



TUSCAN
 & Company, PA

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 Private Companies Practice Section
 Tax Division

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
 WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
 PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
 IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE
 FLORIDA SINGLE AUDIT ACT (FLORIDA STATUTE 215.97)**

Executive Committee and Council Members
 Southwest Florida Regional Planning Council
 1926 Victoria Avenue
 Fort Myers, Florida 33901

Compliance

We have audited the compliance of Southwest Florida Regional Planning Council with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" and in the "State Projects Compliance Supplement" that are applicable to each of its major programs for the year ended September 30, 2008. Southwest Florida Regional Planning Council's major federal programs and major state projects 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 its major programs are the responsibility of Southwest Florida Regional Planning Council's management. Our responsibility is to express an opinion on Southwest 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; OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," the Florida Single Audit Act (Florida Statute 215.97) and the State of Florida, Rules of the Auditor General 10.550. Those Standards, OMB Circular A-133, the Florida Single Audit Act (Florida Statute 215.97), and the State of Florida, Rules of the Auditor General 10.550 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 or a major state project occurred. An audit includes examining, on a test

EXPERIENCE KNOWLEDGE INTEGRITY SERVICE

basis, evidence about Southwest 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 on Southwest Florida Regional Planning Council's compliance with those requirements.

In our opinion, Southwest Florida Regional Planning Council complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs and its major state projects for the year ended September 30, 2008.

Internal Control Over Compliance

The management of Southwest Florida Regional Planning Council is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs and state projects. In planning and performing our audit, we considered Southwest 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 or a state project in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Southwest Florida Regional Planning Council's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program or state project such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program or state project that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented or detected by the entity's internal control.

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

that might be 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 the Executive Committee, Council Members, management, the Auditor General of the State of Florida, federal and state awarding agencies, pass-through entities, and other federal and state audit agencies. However, this report is not intended to be, and should not be, used by anyone other than these specified parties.

Tuscan & Company, P.A.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
December 1, 2008

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED
COSTS - FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year ended September 30, 2008

Section I – Summary of Auditor’s Results
Financial Statements

Type of auditor's report issued:	Unqualified		
Internal control over financial reporting:			
Control deficiency(ies) identified?	_____ Yes	<u> X </u> No	
Significant deficiency(ies) identified?	_____ Yes	<u> X </u> No	
Material weakness(es) identified?	_____ Yes	<u> X </u> None reported	
Noncompliance material to financial statements noted?	_____ Yes	<u> X </u> No	

Federal Awards

Internal control over major programs:			
Control deficiency(ies) identified?	_____ Yes	<u> X </u> No	
Significant deficiency(ies) identified?	_____ Yes	<u> X </u> No	
Material weakness(es) identified?	_____ Yes	<u> X </u> None reported	
Type of auditors report issued 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)?	_____ Yes	<u> X </u> No	
Identification of major programs (Type A):			

CFDA

<u>Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	Federal Highway Administration - FDOT MPO

Dollar threshold used to distinguish between Type A and Type B programs	Threshold used was \$300,000
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Auditee qualified as low-risk auditee?	<u> X </u> Yes _____ No
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Listing of Subrecipients and amounts passed-through:	There were no subgrantees.
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**SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
 SCHEDULE OF FINDINGS AND QUESTIONED**

**COSTS - FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE, CONTINUED
 Year ended September 30, 2008**

State Financial Assistance

Internal control over major projects:

Control deficiency(ies) identified?	_____	Yes	_____	X	_____	No
Significant deficiency(ies) identified?	_____	Yes	_____	X	_____	No
Material weakness(es) identified?	_____	Yes	_____	X	_____	None reported

Type of auditors report issued on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with Rules of the Auditor General 10.554(1)(l)? _____ Yes _____ X _____ No

Identification of major programs (Type A):

CSFA	
<u>Number(s)</u>	<u>Name of State Program or Cluster</u>
52.006	State of Florida, Department of Community Affairs DCA General Revenue

Dollar threshold used to distinguish between major and nonmajor projects? Threshold used was \$183,607

Listing of Subrecipients and amounts passed-through: There were no subgrantees.

Section II- Financial Statement Findings

There were no significant deficiencies, material weaknesses, or instances of material noncompliance related to the financial statements.

Section III- Federal Award Findings and State Financial Assistance and Questioned Costs

There were no audit findings related to federal awards required to be reported by Circular A-133, Section 510(a).

There were no audit findings related to state financial assistance required to be reported by Rules of the Auditor General 10.554(1)(l).

Status of Federal and/or State Prior Year Findings

There were no prior year findings.



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INDEPENDENT AUDITOR'S REPORT TO MANAGEMENT

Executive Committee and Council Members
 Southwest Florida Regional Planning Council
 1926 Victoria Avenue
 Fort Myers, Florida 33901

We have audited the basic financial statements of Southwest Florida Regional Planning Council (the "Council") as of and for the fiscal year ended September 30, 2008, and have issued our report thereon dated December 1, 2008. In connection with our audit, we are submitting the following comments and recommendations in accordance with Chapter 10.550 "Rules of the Auditor General - Local Governmental Entity Audits" (Revised September 30, 2008) Rule 10.557(3) and Section 218.39(4), of the Florida Statutes.

PRIOR YEAR COMMENTS THAT CONTINUE TO APPLY:

Note: Prior year comments not repeated appear to have been addressed and/or resolved.

1. The Council Should Consider Increasing its Total Fund Balance

During the audit, we noted that total fund balance decreased by approximately \$180,000 during the year ended September 30, 2005. We also noted that the current fund balance is approximately 8% of the Council's annual budget.

We continue to recommend that the Council analyze means of increasing its unrestricted revenue and its unreserved fund balance. It should be noted that approximately 86% of current revenue is restricted. Fund balance targets should initially be approximately six (6) months operating budget.

Fiscal Year 2006 Addendum

During the audit, we noted that total fund balance decreased by approximately \$11,000 during the year ended September 30, 2006. We also noted that the current fund balance is approximately 8% of the Council's annual budget.

EXPERIENCE KNOWLEDGE INTEGRITY SERVICE

1. The Council Should Consider Increasing its Total Fund Balance, Continued

Fiscal Year 2006 Addendum, continued

We continue to recommend that the Council analyze means of increasing its unrestricted revenue and its unreserved fund balance. It should be noted that approximately 87% of current revenue is restricted. Fund balance targets should initially be approximately six (6) months operating budget.

Fiscal Year 2007 Addendum

During the audit, we noted that total fund balance increased by approximately \$173,000 during the year ended September 30, 2007. However, we also noted that the current fund balance is approximately 12% of the Council's fiscal year 2007 final budget.

We continue to recommend that the Council analyze means of increasing its unrestricted revenue and its unreserved fund balance. It should be noted that approximately 87% of current revenue is restricted. Fund balance targets should initially be approximately three (3) to six (6) months operating budget.

Current Year Addendum

During the audit, we noted that total fund balance increased by approximately \$72,000 during the year ended September 30, 2008. However, we also noted that the current fund balance is approximately 15% of the Council's fiscal year 2008 final budget.

We continue to recommend that the Council analyze means of increasing its unrestricted revenue and its unreserved fund balance. It should be noted that approximately 86% of current revenue is restricted. Fund balance targets should initially be approximately three (3) to six (6) months operating budget.

CURRENT YEAR COMMENTS:

No financially significant comments noted.

We have included in this letter all comments which came to our attention during the course of our audit regarding Items 1 through 7, as applicable, of the "Rules of the Auditor General-Local Governmental Entity Audits," Rule 10.554, Section (1)(i). In regards to Item 2, we represent that the Council has complied with Florida Statute 218.415 regarding investment of public funds. In regard to Item 7(a), this item is not applicable to the Council. In regard to item 7(c)(1), this item is not applicable to the Council. In regard to Item 7(b), we represent that the financial report filed with the Department of Financial Services, pursuant to Florida Statute 218.32(1)(a), is in agreement with the annual financial audit report for the same period.

This report is intended solely for the information and use of the executive Committee, Council Members, management, the Auditor General of the State of Florida, federal and state awarding agencies, pass-through entities, and other federal and state audit agencies. However, this report is not intended to be, and should not be, used by anyone other than these specified parties.

Tuscan & Company, P.A.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
December 1, 2008

EXHIBIT



Southwest Florida Regional Planning Council

1926 Victoria Avenue, Fort Myers, Florida 33901-3414
(239)338-2550 FAX (239)338-2560 SUNCOM (239)748-2550

January 2009

Tuscan and Company, P.A.
12621 World Plaza Lane. Building 55
Fort Myers, Florida 33907

The records for the Southwest Florida Regional Planning Council, Fiscal Year 08, ending September 30, 2008 have been audited by your firm. This correspondence is our response to your management letter, as it relates to your comments and recommendations.

PRIOR YEAR COMMENTS THAT CONTINUE TO APPLY

1). The Council Should Consider Increasing its Total Fund Balance

Response: As stated in prior management responses, the Fiscal and Operations Managers continue to reach the goal of approximately six month operating budget reserve, as recommended. The Council was able to increase the fund balance by approximately \$72, 000.00, increasing the fund balance from 12% in Fiscal year 07 to 15% at the end of the Fiscal Year 08.

As of this date, approximately 4 months of revenue has been reserved. The Current Year Addendum notes, fund balance targets should initially be approximately three to six months operating budget.

We will continue to evaluate resources at year end to reach the total recommended goal of six months operating reserve.

Sincerely,

Southwest Florida Regional Planning Council

Ken Heatherington
Executive Director