

**SOUTHWEST FLORIDA REGIONAL
PLANNING COUNCIL**

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

**YEAR ENDED
SEPTEMBER 30, 2013**

TABLE OF CONTENTS

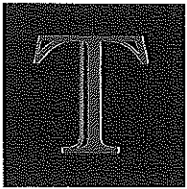
	<u>Page(s)</u>
INDEPENDENT AUDITOR'S REPORT.....	1-4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A).....	i-v
<u>BASIC FINANCIAL STATEMENTS</u>	
GOVERNMENT-WIDE FINANCIAL STATEMENTS:	
Statement of Net Position.....	5
Statement of Activities.....	6
FUND FINANCIAL STATEMENTS:	
Governmental Funds:	
Balance Sheet.....	7
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position.....	8
Statement of Revenues, Expenditures and Changes in Fund Balance.....	9
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds to the Statement of Activities.....	10
NOTES TO THE FINANCIAL STATEMENTS.....	11-37
<u>REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A</u>	
BUDGET TO ACTUAL COMPARISON - MAJOR FUNDS (General and Special Revenue Funds)	
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund - Summary Statement.....	38
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund - Detailed Statement.....	39-40
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Special Revenue Fund - Summary Statement.....	41
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Special Revenue Fund - Detailed Statement.....	42-43
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS -	
Year ended September 30, 2013.....	44
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....	45
<u>ADDITIONAL REPORTS OF INDEPENDENT AUDITOR</u>	
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 <u>Government Auditing Standards</u>	46-47

TABLE OF CONTENTS (CONTINUED)

Page(s)

ADDITIONAL REPORTS OF INDEPENDENT AUDITOR (CONTINUED)

Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect On Each Major Program and On Internal Control Over Compliance with OMB Circular A-133.....	48-50
Schedule of Findings and Questioned Costs - Federal Awards.....	51-52
Independent Auditor's Report to Management.....	53-55
Management's Response to Independent Auditor's Report to Management.....	Exhibit



TUSCAN
& Company, PA

Certified Public Accountants & Consultants

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

Report on the Financial Statements

We have audited the accompanying financial statements of governmental activities and each major fund of Southwest Florida Regional Planning Council (the "Council"), as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of

INTEGRITY SERVICE EXPERIENCE®

12621 World Plaza Lane, Building 55 • Fort Myers, FL 33907 • Phone: (239) 333-2090 • Fax: (239) 333-2097

significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Southwest Florida Regional Planning council as of September 30, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note A to the basic financial statements, the Council adopted the provisions of Governmental Accounting Standards Board Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position", effective July 1, 2012. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis ("MD&A") on pages I - _____ be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information - management's discussion and analysis (MD&A) in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the required supplementary information - management's discussion and analysis (MD&A) because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Southwest Florida Regional Planning Council's basic financial statements.

The required supplementary information other than the MD&A - budgetary comparison information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The required supplementary information other than the MD&A - budgetary comparison information is the responsibility of management as was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the required supplementary information other than MD&A - budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the financial statements of Southwest Florida Regional Planning Council that collectively comprise the Southwest Florida Regional Planning Council's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards for the year ended September 30, 2013 and the Notes thereto as required by the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying Schedule of Expenditures of Federal Awards for the year ended September 30, 2013 and the Notes thereto are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Council's basic financial statements. The Exhibit - Management's Response to Independent Auditor's Report to Management is not a required part of the basic financial statements but is required by Government Auditing Standards. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 20, 2014 on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contract and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Council's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Tuscan & Company, P.A." in a cursive, stylized script.

TUSCAN & COMPANY, P.A.

Fort Myers, Florida

February 20, 2014

**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, 2013. 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 for the year ended September 30, 2013:

- At the close of fiscal year 2013 the Council's assets exceeded its liabilities, resulting in a net position of \$1,036,995.
- The Council's total net position increased \$208,979 or 25.2 percent.
- The Council had \$708,484 in fund balance of which \$701,086 can be used to meet the Council's ongoing obligations. That total of \$701,086, \$664,016 represents 3 months of operating reserves.
- Total revenues decreased \$ 55,970 or 2.3 percent, in comparison to the prior fiscal year.
- Total expenses decreased \$ 191,414 or 8.0% percent, in comparison to the prior fiscal year.

Government-Wide Financial Statements

Government-wide financial statements (statement of net position and statement of activities found on pages 5 and 6, 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 Position* (page 5) presents information on all of the Council's assets and liabilities, with the difference between the two reported as net position. 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 6) 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 7 and 9) 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 11 through 37. 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 Position for fiscal years 2012 and 2013:

Southwest Florida Regional Planning Council
Summary of Net Position
Years ended September 30

Assets:	2012	2013	Change	% Change
Current assets	\$ 1,280,913	\$ 1,131,975	\$ (148,938)	-11.63%
Capital assets, net	1,498,548	1,479,302	(19,246)	-1.28%
Total assets	<u>\$ 2,779,461</u>	<u>\$ 2,611,277</u>	<u>\$ (168,184)</u>	<u>-6.05%</u>
Liabilities:				
Current liabilities	\$ 805,317	\$ 494,800	\$ (310,517)	-38.56%
Noncurrent liabilities	1,146,128	1,079,482	(66,646)	-5.81%
Total liabilities	<u>1,951,445</u>	<u>1,574,282</u>	<u>(377,163)</u>	<u>-19.33%</u>
Net Position:				
Net Investment in capital assets	405,127	453,262	48,135	11.88%
Restricted	-	112,880	112,880	100.00%
Unrestricted	422,889	470,853	47,964	11.34%
Total net position	<u>828,016</u>	<u>1,036,995</u>	<u>208,979</u>	<u>25.24%</u>
Total liabilities and net position	<u>\$ 2,779,461</u>	<u>\$ 2,611,277</u>	<u>\$ 168,184</u>	<u>6.05%</u>

For the fiscal year 2013, current assets are comprised of cash and cash equivalents of \$446,765, investments of \$477,751, grants receivables of \$ 103,112, contract and other receivables of \$101,853, and deposits of \$ 2,494.

For the fiscal year 2013, current liabilities are comprised of accounts payable and accrued expenses of \$104,437, retainage payable of \$1,209, unearned contract, grant and DRI/NOPC revenue of \$317,846 and the current portion of long-term liabilities of \$71,309.

The net investment in capital assets represents 50 percent of net position 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 \$ 470,853 increased \$ 47,964 or 11.34 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 position for the Council for the current and previous fiscal year:

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

Revenues:	<u>2012</u>	<u>2013</u>	<u>Change</u>	<u>% Change</u>
Program Revenues				
Charges for services - dues & fees	\$ 553,063	\$ 504,843	\$ (48,220)	-8.72%
Contracts, grants and contributions	1,888,881	1,836,663	(52,218)	-2.76%
General Revenues				
Rental Income	-	28,750	28,750	100.00%
Increase - fair value of investments	2,314	-	(2,314)	-100.00%
Interest and miscellaneous	9,153	27,185	18,032	197.01%
Total revenues	<u>2,453,411</u>	<u>2,397,441</u>	<u>(55,970)</u>	<u>-2.28%</u>
Expenses:				
Project Planning				
Personnel services	1,432,140	1,277,068	155,072	12.14%
Operating expenses	828,322	795,801	32,521	4.09%
Depreciation	55,331	55,223	108	0.20%
Interest and fiscal charges	64,083	60,370	3,713	6.15%
Total expenses	<u>2,379,876</u>	<u>2,188,462</u>	<u>191,414</u>	<u>8.75%</u>
Change in net position	73,535	208,979	135,444	
Net Position - Beginning	<u>754,481</u>	<u>828,016</u>		
Net Position - Ending	<u>\$ 828,016</u>	<u>\$ 1,036,995</u>		

Budgetary Highlights

Budget versus actual comparisons are presented in the required supplementary information other than the Management's Discussion and Analysis. The significant budget variations versus actual results were due to the Council budgeted its reserves carryforward and did not have to use them.

Original to Final Budget Variances

The Council Members approved one budget amendment during the fiscal year ended September 30, 2013. The amendment was between various revenue and expenditure line items but did change (increase) the total budgeted revenues and expenditures in the general fund by \$ 23,289

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, 2013.

Southwest Florida Regional Planning Council
Capital Assets
Years Ended September 30

	<u>2012</u>	<u>2013</u>	<u>Change</u>
Non-Depreciable Capital Assets			
Land	\$ 375,565	\$ 375,565	\$ -
Depreciable Capital Assets			
Total depreciable capital assets	<u>1,629,440</u>	<u>1,665,417</u>	<u>35,977</u>
Less Accumulated Depreciation			
Total depreciable capital assets	<u>(506,457)</u>	<u>(561,680)</u>	<u>(55,223)</u>
Depreciable capital assets, net	<u>1,122,983</u>	<u>1,103,737</u>	<u>(19,246)</u>
Capital Assets, net	<u>\$ 1,498,548</u>	<u>\$ 1,479,302</u>	<u>\$ (19,246)</u>

Debt Administration

At September 30, 2013, the Council had \$1,150,791 of outstanding debt, which is comprised as noted below. The following is a detailed schedule of the Council's outstanding debt as of September 30, 2013.

Southwest Florida Regional Planning Council
Outstanding Debt
Years Ended September 30, 2013

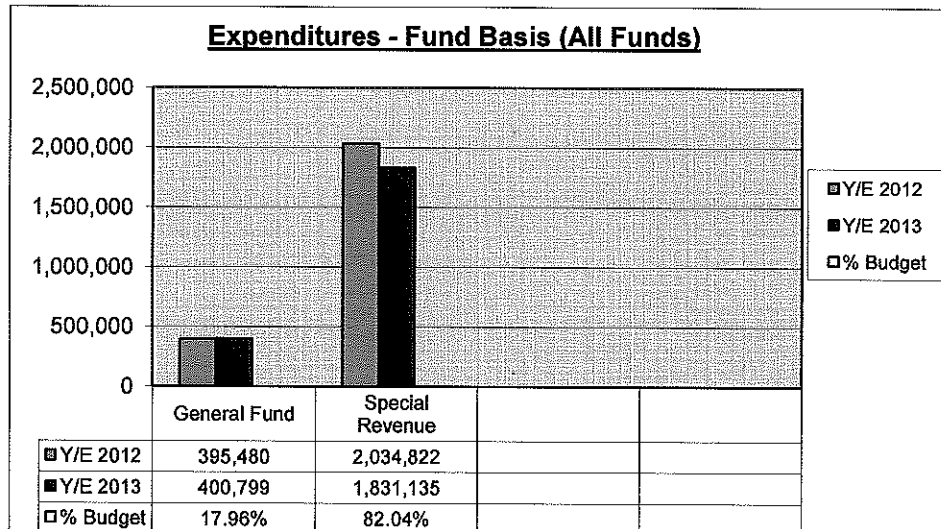
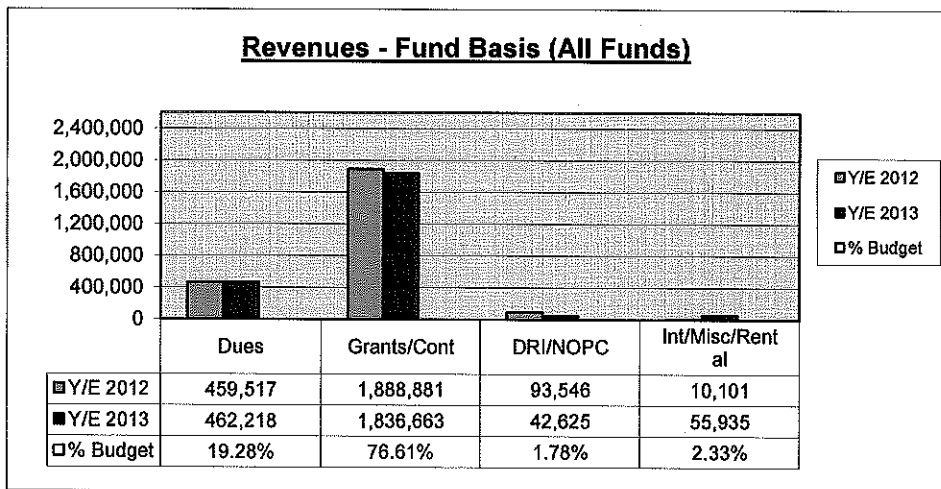
	<u>2012</u>	<u>2013</u>	<u>Change</u>
Note Payable	\$ 1,093,421	\$ 1,026,040	\$ (67,381)
Compensated Absences	64,341	64,887	546
OPEB Obligation	<u>55,747</u>	<u>59,864</u>	<u>4,117</u>
Total Outstanding Debt	<u>\$ 1,213,509</u>	<u>\$ 1,150,791</u>	<u>\$ (62,718)</u>
Less current portion	<u>\$ (67,381)</u>	<u>\$ (71,309)</u>	
	<u>\$ 1,146,128</u>	<u>\$ 1,279,874</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 represents the total amount the Council had due at the termination of all employees' employment. The net OPEB obligation is the actuarially determined cost to offer retiree's health, dental, and vision coverage.

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 76.61%, DRI and NOPC fees provided 1.78%, assessments provided 19.28% of fiscal year 2013 revenues. Interest and miscellaneous income provided 2.33% of fiscal year 2013 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.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
STATEMENT OF NET POSITION
September 30, 2013

Page 5 of 55

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents (including restricted cash of \$112,880)	\$ 446,765
Investments	477,751
Due from other governments - grants	103,112
Receivables - contracts and other	101,853
Deposits	2,494
Total current assets	<u>1,131,975</u>
Noncurrent assets:	
Capital assets:	
Land	375,565
Depreciable buildings, improvements, equipment and vehicles (net of \$561,680 accumulated depreciation)	<u>1,103,737</u>
Total noncurrent assets	<u>1,479,302</u>
 TOTAL ASSETS	 <u>\$ 2,611,277</u>
LIABILITIES	
Current liabilities:	
Accounts payable and accrued expenses	\$ 104,437
Retainage payable	1,209
Unearned revenue - grants	253,420
Unearned revenue - contracts	52,270
Unearned revenue - DRI/NOPC	12,155
Current portion of long-term obligations	<u>71,309</u>
Total current liabilities	494,800
Noncurrent liabilities:	
Noncurrent portion of long-term obligations	1,079,482
Commitments and Contingencies	<u>-</u>
 TOTAL LIABILITIES	 <u>1,574,282</u>
NET POSITION	
Net investment in capital assets	453,262
Restricted	112,880
Unrestricted	<u>470,853</u>
 TOTAL NET POSITION	 <u>1,036,995</u>
 TOTAL LIABILITIES AND NET POSITION	 <u>\$ 2,611,277</u>

The accompanying notes are an integral part of this statement.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
STATEMENT OF ACTIVITIES
Year Ended September 30, 2013

Page 6 of 55

	<u>Governmental Activities</u>
EXPENSES	
Governmental Activities	
Project Planning:	
Personnel services	\$ 1,277,068
Operating expenses	795,801
Depreciation	55,223
Interest and fiscal charges	60,370
TOTAL EXPENSES - GOVERNMENTAL ACTIVITIES	<u>2,188,462</u>
 PROGRAM REVENUES	
Charges for services:	
Assessments and fees	504,843
Contracts and local grants	610,755
Operating grants and contributions	1,225,908
TOTAL PROGRAM REVENUES	<u>2,341,506</u>
 NET PROGRAM REVENUES (EXPENSES)	<u>153,044</u>
 GENERAL REVENUES (LOSS)	
Rental income	28,750
Interest and miscellaneous	27,185
TOTAL GENERAL REVENUES (LOSS)	<u>55,935</u>
 INCREASE IN NET POSITION	208,979
 NET POSITION - Beginning of the year	<u>828,016</u>
NET POSITION - End of the year	<u>\$ 1,036,995</u>

The accompanying notes are an integral part of this statement.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2013

Page 7 of 55

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents (restricted cash of \$112,880)	\$ 446,765	\$ -	\$ 446,765
Investments	477,751	-	477,751
Due from other governments - grants	-	103,112	103,112
Receivables - contracts and other	-	101,853	101,853
Deposits	2,494	-	2,494
Due from other funds	-	112,880	112,880
TOTAL ASSETS	\$ 927,010	\$ 317,845	\$ 1,244,855
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable and accrued expenses	\$ 104,437	\$ -	\$ 104,437
Retainage payable	1,209	-	1,209
Due to other funds	112,880	-	112,880
Unearned revenue - grants	-	253,420	253,420
Unearned revenue - contracts	-	52,270	52,270
Unearned revenue - DRI/NOPC	-	12,155	12,155
TOTAL LIABILITIES	218,526	317,845	536,371
FUND BALANCE			
Nonspendable	7,398	-	7,398
Restricted	-	-	-
Assigned	701,086	-	701,086
Unassigned	-	-	-
TOTAL FUND BALANCE	708,484	-	708,484
TOTAL LIABILITIES AND FUND BALANCE	\$ 927,010	\$ 317,845	\$ 1,244,855

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 POSITION
September 30, 2013

Page 8 of 55

	<u>Amount</u>	
Total fund balance for governmental funds	\$ 708,484	
Amounts reported for governmental activities in the Statement of Net Position 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	1,665,417	
Less accumulated depreciation	<u>(561,680)</u>	1,103,737
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Note payable	(1,026,040)	
Compensated absences	(64,887)	
Net OPEB obligation	<u>(59,864)</u>	(1,150,791)
Elimination of interfund amounts:		
Due from other funds		(112,880)
Due to other funds		<u>112,880</u>
Total net assets of governmental activities		<u>\$ 1,036,995</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, 2013

Page 9 of 55

	General Fund	Special Revenue Fund	Total Governmental Funds
REVENUES			
Federal and state grants	\$ -	\$ 1,225,908	\$ 1,225,908
Contracts and local grants	-	610,755	610,755
County and city assessments	462,218	-	462,218
NOPC & DRI fees	-	38,625	38,625
DRI monitoring fees	-	4,000	4,000
Increase in fair value of investments	-	-	-
Rental income	28,750	-	28,750
Interest and miscellaneous	27,185	-	27,185
TOTAL REVENUES	518,153	1,879,288	2,397,441
EXPENDITURES			
Current			
Personnel services	283,610	988,795	1,272,405
Operating expenditures	81,212	714,589	795,801
Capital outlay	35,977	-	35,977
Debt service	-	127,751	127,751
TOTAL EXPENDITURES	400,799	1,831,135	2,231,934
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	117,354	48,153	165,507
OTHER FINANCING SOURCES (USES)			
Operating transfers in	48,153	-	48,153
Operating transfers out	-	(48,153)	(48,153)
TOTAL OTHER FINANCING SOURCES (USES)	48,153	(48,153)	-
NET CHANGE IN FUND BALANCE	165,507	-	165,507
FUND BALANCE - Beginning of the year	542,977	-	542,977
FUND BALANCE - End of the year	\$ 708,484	\$ -	\$ 708,484

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**

Page 10 of 55

Year Ended September 30, 2013

	<u>Amount</u>
Net change (revenues in excess of expenditures) in fund balance - total governmental funds	\$ 165,507
The increase in net position reported for governmental activities in the Statement of Activities is different because:	
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.	
Expenditures for capital assets	35,977
Less: current year depreciation	<u>(55,223)</u>
	(19,246)
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 Position, however, repayments of debt principal reduces the liability.	67,381
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.	
Net increase in compensated absences	(546)
Increase in net OPEB obligation	(4,117)
Interfund transfers increase or decrease the fund balance of the respective funds; however, the transactions offset in the government-wide statements.	
General fund:	
Operating transfers in	48,153
Special revenue fund:	
Operating transfers out	<u>(48,153)</u>
Increase in net position of governmental activities	<u>\$ 208,979</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, 186 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" and GASB Statement Number 61, "the Financial Reporting Entity: Omnibus - An Amendment of GASB Statements No. 14 and No. 34. 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 Charlotte Harbor National Estuary Program (NEP). The NEP operates as a functioning entity, and has a separate Board

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

Reporting Entity, continued

of Directors and budget. The NEP operates pursuant to authority granted by federal and state law. The NEP is a program not a legal entity and is funded through federal and/or state grants and local contributions. In accordance with the standards noted above, the entity, however, is considered a legally separate or independent entity, except as previously noted. The Council remains responsible to report the financial activity for the NEP. As such, all the financial activity and assets of the NEP are accounted for by the Council and reflected in the accompanying financial statements.

The NEP is a program 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.

The NEP established a 501(c)(3) Not-for-Profit corporation named "Friends of Charlotte Harbor Estuary, Inc. ("Friends"), to fundraise and support the mission of the NEP. Friends was formed in 2000. For the year ended September 30, 2013, Friends had revenue (unaudited) of approximately \$40,936 and expenses (unaudited) of approximately \$43,209. It held assets in the form of cash (unaudited) of approximately \$22,307. When Friends directly supports NEP it would be reported herein as local support. As such, the financial activity of Friends is not included in these financial statements.

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position 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

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

Government-wide Financial Statements, continued

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 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, assessments, fees, and operating grants and contracts.

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

Fund Financial Statements

The Council adheres to GASB Number 54, Fund Balance Reporting and Governmental Fund Type Definitions.

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 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 enough 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.

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

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 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 measurement 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.

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

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 Position.

Change in Accounting Principles

Effective July 1, 2012 the Council adopted the provisions of Governmental Accounting Standards Board Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" (Statement No. 63). This implementation required the Council to present a Statement of Net Position, replacing previously presented Statement of Net Assets, in the Council's basic financial statements.

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 other special purpose revenue such as NOPC and DRI fees.

Budgetary Information

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

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

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, with the exception of the Local Government Surplus Funds Investment Pool Trust Fund (State Board of Administration), an external 2a7-like investment pool. The Local Government Surplus Funds Investment Pool Trust Fund's shares are stated at amortized cost (otherwise known as fluctuating net asset value or "NAV"), which approximates fair value.

Investments, including restricted investments (if any), consist of the State of Florida Local Government Surplus Funds Trust Fund and Certificates of Deposit held at local depositories.

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 Position.

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 Number 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.

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

Capital Assets, continued

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

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.

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

Budgets and Budgetary Accounting, continued

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, in both funds, during the fiscal year ended September 30, 2013. The budget amendments increased total budgeted expenditures by \$166,067 in the General Fund and increased total budgeted expenditures by \$701,812 in the Special Revenue 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 except for the Executive Director which is limited to 200 hours. 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.

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

Compensated Absences, continued

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.

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.

Net Assets

In the governmental fund financial statements no net assets have been identified as restricted. Restricted net assets are those net assets that have constraints as to their use externally imposed by creditors, through debt covenants, by grantors, or by law.

Fund Balances

The governmental fund financial statements the Council maintains include nonspendable, assigned, and unassigned fund balances. Nonspendable balances are those that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Criteria include items that are not expected to be converted into cash, for example prepaid expenses, "Fund B" SBA funds and deposits.

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

Fund Balances, continued

The Council's assigned balances are a result of the Council's Board approval of actions prior to October 1, 2012. The Council's intent and policy is to maintain a minimum assigned fund balance level between four (4) to six (6) months of prior year total expenditures. This assigned fund balance will serve as the Council's operational and capital reserve as well as its disaster reserve. At September 30, 2013, the entire fund balance is classified as assigned since the balance is less than the Council's minimum target fund balance. Any use of the fund balance requires the Council's Board approval.

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.

Subsequent Events

Subsequent events have been evaluated through February 20, 2014, which is the date the financial statements were available to be issued.

NOTE B - CASH AND CASH EQUIVALENTS

Cash was \$446,765, including cash on hand of \$200 and restricted cash of \$112,880 (due to the special revenue fund) at September 30, 2013.

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, 2013.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

Page 23 of 55

NOTE B - CASH AND CASH EQUIVALENTS, CONTINUED

Deposits, continued

The Council's deposits consist of the following at September 30, 2013:

	Bank Balance	Carrying Amount
Depository Accounts	\$ 572,905	\$ 446,565

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 and/or collateralized.

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, and certificates of deposit held in financial institutions. The Council held one (1) Certificate of Deposit (CD) at September 30, 2013. The CD is fully insured by Federal Depository Insurance or by collateral pursuant to the Public Depository Security Act of the State of Florida (Florida Statute 280).

At September 30, 2013, the Council's investments consist of the following:

	Maturity	Interest Rate	Cost Basis	Fair Value (NAV)/ Carrying Amount
<u>General Fund</u>				
Local Government Surplus Trust Fund (SBA)				
Fund "A" (Florida PRIME)			\$ 156,548	\$ 156,547
Fund "B"			4,330	4,904
Certificates of Deposit				
Financial Institution	6/7/2015 *	1.98%	316,300	316,300
Total investments			<u>\$ 477,178</u>	<u>\$ 477,751</u>

* The CD renewed on December 7, 2012.

NOTE C - INVESTMENTS, CONTINUED

The Local Government Surplus Funds Trust Fund (Florida PRIME (formerly Fund "A")) is an external 2a7-like investment pool, administered by the Florida State Board of Administration. The Local Government Surplus Funds Investment Pool Trust Fund is not categorized as it is not evidenced by securities that exist in physical or book entry form. The Local Government Surplus Trust Funds Investment Pool's shares are stated at amortized cost (NAV), which approximates fair value. These investments are subject to the risk that the market value of an investment, collateral protecting a deposit or securities underlying a repurchase agreements, will decline. The Council's investment in the Fund represented less than 1% of the Fund's total investments. Investments held in the Fund 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. Investment income is recognized as earned and is allocated to participants of the Fund based on their equity participation.

At September 30, 2013, the Council reported SBA investments of \$156,548 fair value/cost for amounts held in Florida PRIME. Florida PRIME carried a credit rating of AAAM by Standard and Poors and had a weighted average days to maturity (WAM) of 44 days at September 30, 2013.

At September 30, 2013, the Council reported investments of \$4,904 (NAV) for amounts held in Fund "B" Surplus Funds Trust Fund administered by the State Board of Administration (SBA) pursuant to Section 218.405, Florida Statutes. The SBA does not believe Fund "B" meets the requirements of a SEC 2a7-like investment pool; therefore SBA is providing a fair value factor (i.e.: total net asset value of Fund "B" divided by total participant balance of Fund "B" at September 30, 2013 as a means of determining the net asset value (NAV). The fair value factor for September 30, 2013 (the latest valuation available) is 1.13262284. The District's investments in the Fund "B" investment pool are similar to money market funds in which shares are owned in the fund rather than the underlying investments and as such, use fluctuating net asset value. Specifically, the Fund "B" uses fluctuating NAV for valuation of Fund "B". The SBA has taken the position that participants in the Fund "B" investment pool should disclose information related to interest rate risk and credit risk. Fund "B" was not rated by a nationally recognized statistical rating agency as of September 30, 2013. The weighted average life (WAL) of Fund "B" at September 30, 2013, was 4.04 years. A portfolio's WAL is the dollar weighted average length of time until

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

Page 25 of 55

NOTE C - INVESTMENTS, CONTINUED

securities held reach maturity is based on legal final maturity dates for Fund "B" as of September 30, 2013. WAL measures the sensitivity of Fund "B" to interest rate changes. Fund "B" did not participate in a securities-lending program during the fiscal year ended September 30, 2013.

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. At September 30, 2013, the SBA has determined the market value of the Fund "B" shares to be in excess of the cost in the General Fund in total. The gain, although technically unrealized, is recorded as a current year gain in keeping with the District's policy to reflect investments at market value.

NOTE D - DUE FROM OTHER GOVERNMENTS - GRANTS

Grants receivable consisted of the following at September 30, 2013:

	<u>Amount</u>
<u>Federal</u>	
Hazardous Materials Emergency Preparedness - Planning & Training 2012-2013 (CFDA 20.703)	\$ 35,844
Hazardous Materials Emergency Preparedness - Planning & Training 2013-2014 (CFDA 20.703)	14,593
Economic Development (CFDA 11.302) Planning, Section 203	2,312
Economic Adjustment Assistance (CFDA 11.307)	<u>23,504</u>
Total due from other governments - federal grants	<u>76,253</u>
<u>State</u>	
Department of Emergency Management - LEPC 2012-2013 (CSFA 31.067)	511
Department of Emergency Management - LEPC 2013-2014 (CSFA 31.067)	19,007
Glades/Hendry - TD (CSFA 55.002)	<u>7,341</u>
Total due from other governments - state grants	<u>26,859</u>
Total due from other governments - grants	<u>\$ 103,112</u>

The grants receivable balances as of September 30, 2013, are considered by management to be fully collectible.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

Page 26 of 55

NOTE E - CAPITAL ASSETS ACTIVITY

The following is a summary of changes in capital assets activity for the year ended September 30, 2013:

	Balance October 1 2012	Increases/ Additions	Decreases/ Deletions	Adjustments/ Reclassifications	Balance September 30 2013
Capital Assets Not Being Depreciated:					
Land	\$ 375,565	\$ -	\$ -	\$ -	\$ 375,565
Total Capital Assets Not Being Depreciated	375,565	-	-	-	375,565
Capital Assets Being Depreciated:					
Building & improvements	1,368,297	8,185	-	-	1,376,482
Furniture & fixtures	21,550	22,580	-	-	44,130
Equipment	217,806	5,212	-	-	223,018
Vehicles	21,787	-	-	-	21,787
Total Capital Assets Being Depreciated	1,629,440	35,977	-	-	1,665,417
Less Accumulated Depreciation:					
Building & improvements	(282,636)	(37,959)	-	-	(320,595)
Furniture & fixtures	(21,550)	(538)	-	-	(22,088)
Equipment	(185,569)	(12,369)	-	-	(197,938)
Vehicles	(16,702)	(4,357)	-	-	(21,059)
Total Accumulated Depreciation	(506,457)	(55,223)	-	-	(561,680)
Total Capital Assets Being Depreciated, Net	1,122,983	(19,246)	-	-	1,103,737
Capital Assets, Net	\$ 1,498,548	\$ (19,246)	\$ -	\$ -	1,479,302

Related debt (1,026,040)

Net assets invested in capital

assets, net of related debt \$ 453,262

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

Page 27 of 55

NOTE E - CAPITAL ASSETS ACTIVITY, CONTINUED

Depreciation expense was charged to the following functions during the year ended September 30, 2013:

	<u>Amount</u>
General Government	<u>\$ 55,223</u>
Total Depreciation Expense	<u><u>\$ 55,223</u></u>

NOTE F - DUE TO/FROM OTHER FUNDS

Interfund receivables and payables at September 30, 2013, 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>\$ 112,880</u>
Total General Fund	<u>-</u>	<u>112,880</u>
Special Revenue Fund:		
General Fund	<u>112,880</u>	<u>-</u>
Total Special Revenue Fund	<u>112,880</u>	<u>-</u>
Total	<u><u>\$ 112,880</u></u>	<u><u>\$ 112,880</u></u>

Interfund receivables and payables were eliminated for presentation purposes in the Statement of Net Assets at September 30, 2013.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

Page 28 of 55

NOTE G - UNEARNED REVENUE

Unearned revenue (by type) consisted of the following at September 30, 2013:

	<u>Amount</u>
<u>Grants - Federal</u>	
National Estuary Program (CFDA 66.456)	\$ 181,058
Regional Wetlands Program Dev- FAMWQ (CFDA 66.461)	<u>72,362</u>
	<u>\$ 253,420</u>
 <u>Contracts</u>	
NEP - Local	\$ 52,270
	<u>\$ 52,270</u>
 <u>Other</u>	
DRI - Fountains	\$ 8,707
NOPC - Palmer XXI	948
Lee Memorial	<u>2,500</u>
	<u>\$ 12,155</u>

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

Page 29 of 55

NOTE H - LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended September 30, 2013:

	Balance October 1 2012	Additions	Retirements / Adjustments	Balance September 30 2013	Amounts Due Within One Year
Note payable	\$ 1,093,421	\$ -	\$ (67,381)	\$ 1,026,040	\$ 71,309
Compensated absences	64,341	546	-	64,887	-
Net OPEB obligation	<u>55,747</u>	<u>4,117</u>	<u>-</u>	<u>59,864</u>	<u>-</u>
	<u>\$ 1,213,509</u>	<u>\$ 4,663</u>	<u>\$ (67,381)</u>	<u>\$ 1,150,791</u>	<u>\$ 71,309</u>

The following is a summary of the long-term liabilities at September 30, 2013:

	Amount
\$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 and includes prepayment penalties. Final principal payment of \$826,523 due June 1, 2016.	\$ 1,026,040
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.	64,887
Net OPEB obligation. Cumulative difference between annual OPEB cost and Council's projected payments toward the cost of post employment benefits other than pensions since GASB no. 45 transition date (October 1, 2009)	<u>59,864</u>
	<u>\$ 1,150,791</u>

The annual debt service requirements at September 30, 2013, were as follows:

Year Ending September 30	Total Principal	Total Interest	Total
Note payable:			
2014	\$ 71,309	\$ 56,442	\$ 127,751
2015	75,467	52,284	127,751
2016	<u>879,264</u>	<u>36,339</u>	<u>915,603</u>
Total Note Payable	1,026,040	145,065	1,171,105
Accrued compensated absences	64,887	-	64,887
Net OPEB obligation	<u>59,864</u>	<u>-</u>	<u>59,864</u>
Total Long-Term Debt	<u>\$ 1,150,791</u>	<u>\$ 145,065</u>	<u>\$ 1,295,856</u>

NOTE H - LONG-TERM LIABILITIES, CONTINUED

Interest expense related to the note payable for the year ended September 30, 2013 was \$60,370.

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 I - 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 was noncontributory prior to July 1, 2011. Beginning July 1, 2011, FRS requires a 3% of eligible compensation employee contribution for all classes of employees except those enrolled in the DROP program, which requires no employee contribution. The FRS is totally administered by the State of Florida. The Council contributed 100% of the required contributions. Pension costs for the Council ranged between 5.18 % and 18.31% of gross wages for the year ended September 30, 2013. The Council's contributions to the plan were \$63,019, \$60,395, and \$170,332 for the fiscal years ended September 30, 2013, 2012, and 2011, respectively. The Council's covered payroll for the years ended September 30, 2013, 2012, and 2011 was \$963,317, \$1,169,610, and \$1,705,751, respectively.

Employees enrolled prior to July 1, 2011, 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. Benefit cannot exceed 100% of average final compensation.

Employees enrolled on or after July 1, 2011, who retire at or after age 65 with 8 years of creditable service, 8 years of senior management service and age 65, 8 years of special risk service and age 60, or 33 years of service (30 years for special risk)

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

Plan Description and Provisions, continued

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 eight (8) highest fiscal years' compensation. Benefit cannot exceed 100% of average final compensation.

Benefits vest after six (6) years of credited service for those employees enrolled prior to July 1, 2011 and after eight (8) years for those enrolled on or after July 1, 2011. 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.

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 defined benefit 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, 2013 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.

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

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 J - 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, 2013, 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, 2013. The management of the Council does not believe contingent liabilities, if any exist, to be material.

NOTE K - OPERATING LEASE COMMITMENTS

The Council leases certain copiers and equipment under agreements classified as operating leases.

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

<u>Years Ending September 30</u>	<u>Amount</u>
2014	\$ 5,708
2015	5,040
2016	5,040
2017	5,040
2018	3,780
	<u>\$ 24,608</u>

For the year ended September 30, 2013, total rent expense was \$ 7,016.

NOTE L - INDIRECT EXPENDITURES

Indirect expenditures (including indirect and fringe benefit costs) based upon a fixed preapproved rate allocated to the Special Revenue Fund during the year ended September 30, 2013, consist of the following:

	<u>Amount</u>
Personnel services:	
Salaries and fringe benefits	\$ 423,333
Operating expenditures	161,172
Debt service	<u>127,751</u>
Total indirect expenditures	<u>\$ 712,256</u>

NOTE M - 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, 2013, approximately 77% of total revenue is attributable to funds received from grantor and contract agencies.

NOTE N - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)

The Council's defined benefit OPEB Plan provides the opportunity to obtain insurance (health, dental, and vision) benefits to its retired employees. The year ended September 30, 2010, was the Council's transition year. As such, the Council implemented GASB No. 45 on a prospective basis. All retired full-time employees are eligible for OPEB benefits if actively employed by the Council immediately before retirement. As of September 30, 2013, there were zero (0) retirees receiving these benefits. The benefits are provided both with and without contractual agreements. The Council's OPEB policy provides the opportunity for qualified retirees (pre-medicare qualified retirees) the opportunity to purchase health, dental, and vision insurance coverage similar to active full-time employees. As such, the qualified retiree is responsible for 100% of the cost of coverage selected. The Council simply acts as agent for the retiree and submits the premiums paid by the retiree. The

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

Page 34 of 55

**NOTE N - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB),
CONTINUED**

Council pays for no portion of the retiree insurance coverage. The Council finances the benefits on a pay-as-you-go basis and recognizes retiree reimbursement of premiums as revenue and the offsetting expenditures at the time the premiums are due.

Funding Policy

The Council's OPEB benefits are unfunded. The Council has not determined if a separate trust fund or equivalent arrangement will be established into which the Council would make contributions to advance-fund the obligation. Therefore, no separate financial statement is issued. All required disclosures are presented herein. The Council obtained an actuarial valuation for OPEB Plan to measure the current year's subsidies and project these subsidies into the future, making an allocation of that cost to different years. The following schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Schedule of Funding Progress

(1) Actuarial Valuation Date	Actuarial		Unfunded		Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
	Value of Assets (AVA) (a)	Actuarial Accrued Liability (AAL) (b)	Actuarial Accrued Liability (UAAL) (b-a)				
10/01/10	\$ -	\$ 149,984	\$ 149,984	0.0%		\$1,667,142	9.0%
10/01/11	\$ -	\$ 141,788	\$ 141,788	0.0%		\$1,679,472	8.4%
10/01/12	\$ -	\$ 50,030	\$ 50,030	0.0%		\$ 899,507	5.6%

(1) - Initial actuarial valuation dated 10/1/09 (transition year)

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

Page 35 of 55

**NOTE N - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB),
CONTINUED**

Schedule of Contributions from Employer

Year	Annual	Projected	Percentage of	Net OPEB	Actual
Ended	OPEB Cost	Cash Payment*	Annual OPEB Cost	Obligation	Cash Payment
9/30/11	\$ 25,202	\$ 9,158	36.3%	\$ 41,351	\$ -
9/30/12	\$ 24,236	\$ 9,840	40.6%	\$ 55,747	\$ -
9/30/13	\$ 10,275	\$ 6,158	59.9%	\$ 59,864	\$ -

*The Council did not make the expected cash payments of \$ 9,158, \$9,840 or \$6,158 during the years ended September 30, 2011, 2012 and 2013, respectively because the Council had no retiree participants. Therefore, the actual Net OPEB obligation was \$41,351, \$55,747 and \$59,864 at September 30, 2011, 2012 and 2013, respectively.

Annual OPEB Cost and Net OPEB Obligation

The annual OPEB cost is the amount that was expensed in the current year. Since the Council's plan is unfunded, the offset to that expense comes from subsidies paid on behalf of the current retirees and their dependents for the current year. This offset is called the expected cash payment. The cumulative difference between the annual OPEB cost for the year and the expected cash payment is called the net OPEB obligation (NOO). The net OPEB obligation is reflected as a liability in the Statement of Net Assets. The following table shows the components of the Council's annual OPEB cost for the year and the net OPEB obligation.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

Page 36 of 55

**NOTE N - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB),
CONTINUED**

<u>Fiscal year ended September 30, 2013</u>	<u>Amount</u>
Annual required contribution (ARC)	\$ 9,393
Less NOO amortization	(1,905)
Plus interest on NOO	<u>2,787</u>
Annual OPEB cost	10,275
Expected cash payment (projected)*	<u>(6,158)</u>
Yearly change in OPEB obligation	4,117
Net OPEB obligation - beginning of year	<u>55,747</u>
Net OPEB obligation - end of year	<u><u>\$ 59,864</u></u>

*The Council did not make the expected cash payment of \$6,158 during the year ended September 30, 2013 since the Council had no retiree participants. Therefore, the actual Net OPEB obligation is \$ 59,864.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trend. Amounts determined regarding the funding status of a plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of the valuation and the historical pattern of sharing of benefit costs between the employer and plan members. The actual methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial valuation of assets, consistent with the long-term perspective of the calculations.

In the October 1, 2011 actuarial valuation, the entry age normal (level % of pay) actuarial cost method with linear pro-rata to assumed benefit commencement was used. The actuarial assumptions included a 5.0 percent investment rate of

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

Page 37 of 55

**NOTE N - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB),
CONTINUED**

Actuarial Methods and Assumptions, continued

return. Since there are no invested plan assets held in trust to finance the OPEB obligations, the investment return discount rate is the long-term expectation of investment return on assets held in Council funds pursuant to its investment policy (5%). The assumptions also included an annual healthcare cost inflation rate trend of 8% (pre and post medicare) in 2009 trending to 8.5% (pre-medicare) in 2013, 7.5% in 2014 and 4.5% in 2018. The unfunded actuarial accrued liability, as calculated, is being amortized over a closed amortization period of 30 years as a level percent of payroll. The assumed rate of payroll growth is 0.0 percent. The assumed rate of inflation is 0.0 percent.

NOTE O - FUND BALANCE/NET ASSETS

Fund balance was classified for the following purposes at September 30, 2013:

<u>Nonspendable fund balance - General Fund</u>	<u>Amount</u>
Deposits	\$ 2,494
SBA - Fund "B"	4,904
	<u>\$ 7,398</u>
 <u>Assigned fund balance - General Fund</u>	 <u>Amount</u>
Operating reserves	\$ 701,086
	<u>\$ 701,086</u>

Net assets of \$112,880 are restricted for use in specific projects.

**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, 2013

Page 38 of 55

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Federal and state grants	\$ -	\$ -	\$ -	\$ -
Contracts and local grants	-	-	-	-
County and city assessments	462,779	462,779	462,218	(561)
DRI fees	-	-	-	-
DRI monitoring fees	-	-	-	-
Increase in fair value of investments	-	-	-	-
Rental income	15,000	15,000	28,750	13,750
Interest and miscellaneous	7,000	7,000	27,185	20,185
Fund balance carryforward	519,688	542,977	-	(542,977)
TOTAL REVENUES	<u>1,004,467</u>	<u>1,027,756</u>	<u>518,153</u>	<u>(509,603)</u>
EXPENDITURES				
Current				
Personnel services	679,442	701,671	283,610	418,061
Operating expenditures	779,735	891,073	81,212	809,861
Capital outlay	13,000	45,500	35,977	9,523
Debt service	-	-	-	-
TOTAL EXPENDITURES	<u>1,472,177</u>	<u>1,638,244</u>	<u>400,799</u>	<u>1,237,445</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(467,710)</u>	<u>(610,488)</u>	<u>117,354</u>	<u>727,842</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	467,710	610,488	48,153	(562,335)
Operating transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>467,710</u>	<u>610,488</u>	<u>48,153</u>	<u>(562,335)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>165,507</u>	<u>\$ 165,507</u>
FUND BALANCE, October 1, 2012			<u>542,977</u>	
FUND BALANCE, September 30, 2013			<u>\$ 708,484</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, 2013

Page 39 of 55

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Federal and state grants	\$ -	\$ -	\$ -	\$ -
Contracts and local grants	-	-	-	-
County and city assessments	462,779	462,779	462,218	(561)
DRI fees	-	-	-	-
DRI monitoring fees	-	-	-	-
Increase in fair value of investments	-	-	-	-
Rental income	15,000	15,000	28,750	13,750
Interest and miscellaneous	7,000	7,000	27,185	20,185
Fund balance carryforward	519,688	542,977	-	(542,977)
TOTAL REVENUES	1,004,467	1,027,756	518,153	(509,603)
EXPENDITURES				
Current				
Personnel services				
Salaries	428,299	437,084	441,377	(4,293)
Fringe benefits:				
FICA	75,377	76,821	73,725	3,096
Retirement	48,326	48,326	63,019	(14,693)
Health insurance	109,490	121,490	118,764	2,726
Severance	-	-	-	-
Workers compensation/unemployment	17,950	17,950	10,058	7,892
Allocation of indirect expenditures	-	-	(423,333)	423,333
Total personnel services	679,442	701,671	283,610	418,061
Operating expenditures				
Professional fees:				
Legal fees	-	-	-	-
Consultant fees	10,000	10,000	20,011	(10,011)
Audit fees	40,000	42,000	43,543	(1,543)
Telephone, rent, supplies, etc:				
Office supplies	21,007	20,807	10,672	10,135
Equipment rental	11,000	11,000	7,016	3,984
Storage unit rental	-	-	-	-
Repairs and maintenance	15,000	15,000	17,497	(2,497)
Telephone	5,650	5,650	8,077	(2,427)
Miscellaneous and insurance:				
Insurance	22,500	22,500	24,493	(1,993)
Other miscellaneous	4,000	4,000	5,360	(1,360)
Computer supplies and graphics	45,000	45,000	34,266	10,734
Professional development/meetings:				
Professional development/dues	33,170	33,170	25,543	7,627
Meetings/events	5,500	5,500	1,684	3,816

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, 2013

Page 40 of 55

	General Fund			Variance
	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Operating expenditures (continued)				
Travel	12,450	12,450	5,237	7,213
Postage	3,670	3,670	4,040	(370)
Printing/reproduction	1,400	1,400	11,904	(10,504)
Utilities	22,520	22,520	22,226	294
Advertising/legal notices	5,750	5,750	667	5,083
Publications	1,250	1,250	148	1,102
NEP grant expenses	-	-	-	-
MPO grant expenses	-	-	-	-
Amount to be reserved for ED/PR	-	-	-	-
Amount to be reserved for A/C	-	-	-	-
Reserves - operations	519,868	629,406	-	629,406
Allocation of indirect expenditures	-	-	(161,172)	161,172
Total operating expenditures	<u>779,735</u>	<u>891,073</u>	<u>81,212</u>	<u>809,861</u>
Capital outlay				
Capital purchases	13,000	45,500	35,977	9,523
Allocation of indirect expenditures	-	-	-	-
Total capital outlay	<u>13,000</u>	<u>45,500</u>	<u>35,977</u>	<u>9,523</u>
Debt service				
Principal retirement	-	-	67,381	(67,381)
Interest and fiscal charges	-	-	60,370	(60,370)
Allocation of indirect expenditures	-	-	(127,751)	127,751
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,472,177</u>	<u>1,638,244</u>	<u>400,799</u>	<u>1,237,445</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(467,710)</u>	<u>(610,488)</u>	<u>117,354</u>	<u>727,842</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	467,710	610,488	48,153	(562,335)
Operating transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>467,710</u>	<u>610,488</u>	<u>48,153</u>	<u>(562,335)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>165,507</u>	<u>\$ 165,507</u>
FUND BALANCE, October 1, 2012			<u>542,977</u>	
FUND BALANCE, September 30, 2013			<u>\$ 708,484</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 - SUMMARY STATEMENT
Year Ended September 30, 2013

Page 41 of 55

	Special Revenue Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Federal and state grants	\$ 1,074,561	\$ 1,619,095	\$ 1,225,908	\$ (393,187)
Contracts and local grants	579,427	593,927	610,755	16,828
County and city assessments	-	-	-	-
DRI fees	50,000	50,000	38,625	(11,375)
DRI monitoring fees	-	-	4,000	4,000
Interest and miscellaneous	-	-	-	-
Fund balance carryforward	-	-	-	-
TOTAL REVENUES	1,703,988	2,263,022	1,879,288	(383,734)
EXPENDITURES				
Current				
Personnel services	549,211	559,291	988,795	(429,504)
Operating expenditures	555,067	965,243	714,589	250,654
Capital outlay	4,000	-	-	-
Debt service	128,000	128,000	127,751	249
TOTAL EXPENDITURES	1,236,278	1,652,534	1,831,135	(178,601)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	467,710	610,488	48,153	(562,335)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	-	-
Operating transfers out	(467,710)	(610,488)	(48,153)	562,335
TOTAL OTHER FINANCING SOURCES (USES)	(467,710)	(610,488)	(48,153)	562,335
NET CHANGE IN FUND BALANCE	\$ -	\$ -	0	\$ 0
FUND BALANCE, October 1, 2012			-	
FUND BALANCE, September 30, 2013			\$ 0	

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, 2013

Page 42 of 55

	Special Revenue Fund			Variance Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
REVENUES				
Federal and state grants	\$ 1,074,561	\$ 1,619,095	\$ 1,225,908	\$ (393,187)
Contracts and local grants	579,427	593,927	610,755	16,828
County and city assessments	-	-	-	-
DRI fees	50,000	50,000	38,625	(11,375)
DRI monitoring fees	-	-	4,000	4,000
Interest and miscellaneous	-	-	-	-
Fund balance carryforward	-	-	-	-
TOTAL REVENUES	1,703,988	2,263,022	1,879,288	(383,734)
EXPENDITURES				
Current				
Personnel services				
Salaries	549,211	559,291	565,462	(6,171)
Fringe benefits:				
FICA	-	-	-	-
Retirement	-	-	-	-
Health insurance	-	-	-	-
Workers compensation/unemployment	-	-	-	-
Allocation of indirect expenditures	-	-	423,333	(423,333)
Total personnel services	549,211	559,291	988,795	(429,504)
Operating expenditures				
Professional fees:				
Legal fees	-	-	-	-
Consultant fees	62,547	107,147	67,003	40,144
Audit fees	-	-	-	-
Telephone, rent, supplies, etc:				
Office supplies	-	-	5,943	(5,943)
Equipment rental	-	-	-	-
Storage unit rental	-	-	-	-
Repairs and maintenance	-	-	-	-
Telephone	-	-	148	(148)
Miscellaneous and insurance:				
Insurance	-	-	598	(598)
Other miscellaneous	-	-	55	(55)
Computer supplies and graphics	-	-	5,746	(5,746)
Professional development/meetings:				
Professional development/dues	11,080	11,080	10,341	739
Meetings/events	27,000	27,000	18,896	8,104
Travel	35,300	35,300	37,132	(1,832)

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, 2013

Page 43 of 55

	Special Revenue Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Operating expenditures (continued)				
Postage	22,430	22,430	15,883	6,547
Printing/reproduction	102,100	102,100	62,050	40,050
Utilities	-	-	-	-
Advertising	-	-	2,551	(2,551)
Publications	-	-	78	(78)
NEP grant expenses	294,610	660,186	326,993	333,193
MPO grant expenses	-	-	-	-
Reserves - operations	-	-	-	-
Allocation of indirect expenditures	-	-	161,172	(161,172)
Total operating expenditures	<u>555,067</u>	<u>965,243</u>	<u>714,589</u>	<u>250,654</u>
Capital outlay				
Capital purchases	4,000	-	-	-
Allocation of indirect expenditures	-	-	-	-
Total capital outlay	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt service				
Principal retirement	128,000	128,000	-	128,000
Interest and fiscal charges	-	-	-	-
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>1,236,278</u>	<u>1,652,534</u>	<u>1,831,135</u>	<u>(178,601)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>467,710</u>	<u>610,488</u>	<u>48,153</u>	<u>(562,335)</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	-	-
Operating transfers out	<u>(467,710)</u>	<u>(610,488)</u>	<u>(48,153)</u>	<u>562,335</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(467,710)</u>	<u>(610,488)</u>	<u>(48,153)</u>	<u>562,335</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, October 1, 2012			<u>-</u>	
FUND BALANCE, September 30, 2013			<u>-</u>	

The accompanying notes are an integral part of this statement.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended September 30, 2013

Page 44 of 55

<u>Grantor Agency/Program Title</u>	<u>Federal CFDA/ Number</u>	<u>Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Receipts/ Revenue</u>		<u>Disbursements/ Expense</u>
FEDERAL AGENCY						
<u>Environmental Protection Agency (EPA)</u>						
<u>TYPE A - MAJOR</u>						
National Estuary Program - Charlotte Harbor2 - CHNEP	66.456	CE-96457406-7	\$ 3,009,350	\$ -		\$ -
National Estuary Program - Charlotte Harbor2 - CHNEP	66.456	CE-95483611-1	1,195,967	724,738	(6)	724,738
			<u>4,205,317</u>	<u>724,738</u>		<u>724,738</u>
<u>TYPE B - NONMAJOR</u>						
Regional Wetlands Program Development Grant - FAMWQ	66.461	CD-95488111-0	359,378	125,970	(1)	125,970
			<u>4,564,695</u>	<u>850,708</u>		<u>850,708</u>
<u>TYPE B - NONMAJOR</u>						
<u>Federal Highway Administration/US DOT</u>						
Passed through Florida Department of Community Affairs/ Division of Emergency Management						
Hazardous Materials Emergency Preparedness Planning & Training	20.703	13DTB5130021167	58,370	43,777	(2)	43,777
Hazardous Materials Emergency Preparedness Planning & Training	20.703	14DT75130021186	58,370	14,593	(3)	14,593
			<u>116,740</u>	<u>58,370</u>		<u>58,370</u>
<u>U.S. Department of Commerce</u>						
Economic Development						
Planning, Section 203, 1/1/11 to 12/31/13	11.302	04-83-06492	189,000	51,062	(4)	51,062
Passed through Tampa Bay Regional Planning Council						
Economic Development						
Economic Adjustment Assistance	11.307	04-69-06568	89,045	62,828	(5)	62,828
			<u>278,045</u>	<u>113,890</u>		<u>113,890</u>
<u>U.S. Department of Energy</u>						
Passed through the Florida Department of Agriculture and Consumer Services						
Passed through Tampa Bay Regional Planning Council						
ARRA - Florida Energy Assurance/Energy Resiliency	81.122		32,194	32,194		32,194
		TOTAL FEDERAL AWARDS	\$ 4,991,674	\$ 1,055,162		\$ 1,055,162

(1) Does not include unearned revenue of \$72,362

(2) Includes receivable of \$35,844

(3) Includes receivable of \$14,593

(4) Includes receivable of \$2,312

n/a - Not Available

(5) Includes receivable of \$23,504

(6) Does not include unearned
revenue of \$181,058

The accompanying notes are an integral part of this statement.

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS
September 30, 2013

Page 45 of 55

NOTE A - BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards 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.

Expenditures reported on the Schedule (Schedule) of Expenditures of Federal Awards 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 include accrual basis revenue, including amounts recognized as well as grant receivables recorded at year end. Revenue that is deferred/unearned is not reflected but rather footnoted.

NOTE B - INDIRECT COSTS

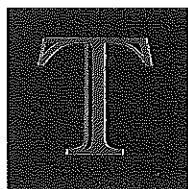
The Council did routinely allocate costs to Federal Awards. Costs charged to such programs were direct costs unless specifically incurred for the program and allowed and indicated as such. Indirect costs are allocated to the functions and programs based upon various methods which reflect appropriate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

NOTE C - MATCH/PARTICIPATION REQUIREMENTS

The Council received financial assistance under a type A major grant requiring local match/participation in the form of cash. A maximum match/participation amount is established at the time the financial assistance is awarded. However, revenue is earned on the reimbursement basis and can only be recognized to the extent of applicable eligible and allowable disbursement. The match/participation requirement is therefore based on a contracted portion of allowable disbursements.

For the fiscal year ended September 30, 2013, the Council had met its match/participation requirements for its Type A grant.

**ADDITIONAL REPORTS OF
INDEPENDENT AUDITOR**



TUSCAN
& Company, PA

Certified Public Accountants & Consultants

Affiliations

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

Page 46 of 55

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

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

We have audited, 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 of America, the basic financial statements of the governmental activities and each major fund of Southwest Florida Regional Planning Council (the "Council") as of and for the year ended September 30, 2013, and the related notes to the financial statements which collectively comprise the Council's basic financial statements as listed in the table of contents and have issued our report thereon dated February 20, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the basic financial statements will not be prevented or detected and

INTEGRITY SERVICE EXPERIENCE®

corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined previously. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of This Report

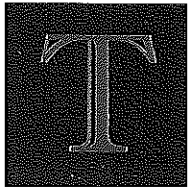
The purpose of this report is solely to describe the scope of our testing internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Tuscan & Company, P.A.".

TUSCAN & COMPANY, P.A.

Fort Myers, Florida

February 20, 2014



TUSCAN
& Company, PA

Certified Public Accountants & Consultants

Affiliations

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

Page 48 of 55

**Independent Auditor's Report on Compliance with Requirements
That Could Have a Direct and Material Effect on Each Major
Program and on Internal Control Over Compliance in Accordance
With OMB Circular A-133**

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

Report on Compliance for Each Major Federal Program

We have audited Southwest Florida Regional Planning Council's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of Southwest Florida Regional Planning Council's major federal programs for the year ended September 30, 2013. Southwest Florida Regional Planning Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Southwest Florida Regional Planning Council's major federal programs based on our audit of the types of compliance requirements referred to above. 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 of America; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance

INTEGRITY SERVICE EXPERIENCE®

12621 World Plaza Lane, Building 55 • Fort Myers, FL 33907 • Phone: (239) 333-2090 • Fax: (239) 333-2097

with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Southwest Florida Regional Planning Council's compliance.

Opinion on Each Major Federal Program

In our opinion, Southwest Florida Regional Planning Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2013.

Report on Internal Control Over Compliance

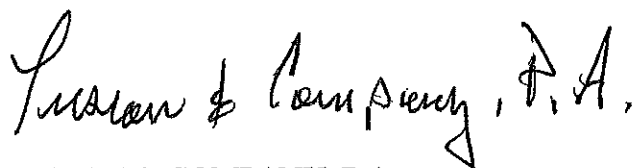
Management of Southwest Florida Regional Planning Council is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Southwest Florida Regional Planning Council's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Southwest Florida Regional Planning Council's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of the Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Tuscan & Company, P.A.".

TUSCAN & COMPANY, P.A.

Fort Myers, Florida

February 20, 2014

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED
COSTS - FEDERAL AWARDS
Year ended September 30, 2013

Page 51 of 55

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified		
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:	Unmodified		
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:			

CFDA

<u>Number(s)</u>	<u>Type</u>	<u>Name of Federal Program or Cluster</u>
66.456	A	National Estuary Program - Charlotte Harbor

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

SOUTHWEST FLORIDA REGIONAL PLANNING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED
COSTS - FEDERAL AWARDS, CONTINUED
Year ended September 30, 2013

Page 52 of 55

Section II- Financial Statement Findings

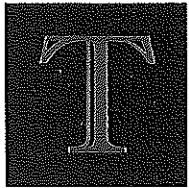
There were no significant deficiencies, material weaknesses, or instances of material noncompliance related to the financial statements.

Section III- Federal Award Findings and Questioned Costs

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

Status of Federal Prior Year Findings

Prior year audit findings 2012-1 and 2012-2 appear to have been resolved by the Council.



TUSCAN
& Company, PA

Certified Public Accountants & Consultants

Affiliations

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

Page 53 of 55

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 accompanying basic financial statements of Southwest Florida Regional Planning Council (the "Council") as of and for the year ended September 30, 2013 and have issued our report thereon dated February 20, 2014.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America. We have issued our Report on Internal Control over Financial Reporting and Compliance and Other Matters. Disclosures in that report, which is dated February 20, 2014, should be considered in conjunction with this report to management.

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

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The prior year comments appear to have been resolved.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Council complied with Section 218.415(17), Florida Statutes.

INTEGRITY SERVICE EXPERIENCE®

- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. No Such recommendations were noted to improve financial management.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts or grant agreements, or abuse, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did note no such findings.
- Section 10.554(1)(i)5., Rule of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit if the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Council discloses this information in the notes to the financial statements.
- Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that this item is not applicable to the Council.
- Section 10.554(1)(i)6.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the Council for the fiscal year ended September 30, 2013, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a) Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2013. In connection with our audit, we determined that these two reports were in agreement.
- Pursuant to Sections 10.554(1)(i)6.c. and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the Council's financial condition. However, we determined this item is not applicable to the Council.
- Pursuant to Section 10.554(1)(i)6.e., Rules of the Auditor General, related to funds received or expended related to the Deep Water Horizon oil spill; no such funds were received or expended for the year ended September 30, 2013.

PRIOR YEAR COMMENTS:

The prior year comments appear to have been resolved.

CURRENT YEAR COMMENTS:

No financially significant comments noted.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter 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

February 20, 2014

EXHIBIT



Southwest Florida Regional Planning Council

Collier, Charlotte, DeSoto, Hendry, Lee and Sarasota Counties

1926 Victoria Ave, Fort Myers, Florida 33901-3414 (239) 338-2550 FAX (239) 338-2580 www.swfrpc.org

March 11, 2014

Jeff Tuscan
Tuscan and Company, P.A.
12621 World Plaza Lane
Building 55
Fort Myers, FL 33901

Dear Mr. Tuscan:

The records for the Southwest Florida Regional Planning Council (SWFRPC), Fiscal Year 2013 ending September 30, 2013 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

The prior year comments appear to have been resolved.

Response: Staff and Certified Public Accountant implemented a strategy to utilize Peachtree Accounting Software that was much more efficient and transparent, with revenue and expenses tracked by revenue source and monthly general ledger reconciliation. Project managers received reporting on grant tracking and received support provided by the accounting staff. Regular staff meeting reinforced the importance of diligent project management, and grants were monitored closely. All financial reporting was completed according to grant requirements.

CURRENT YEAR COMMENTS

No financially significant comments noted.

Response: Development of a new grant procedure and the utilization of accounting software has allowed the accounting staff and project managers to be more efficient and transparent.

Sincerely,

Margaret Wuerstle
Executive Director
Southwest Florida Regional Planning Council