

# Annual FINANCIAL Report



Year Ended June 30, 2017



metroplan orlando

*A REGIONAL TRANSPORTATION PARTNERSHIP*

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(407) 481-5672 | [www.MetroPlanOrlando.org](http://www.MetroPlanOrlando.org)





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*A REGIONAL TRANSPORTATION PARTNERSHIP*

# **Annual Financial Report**

**OF**

# **MetroPlan Orlando**

**YEAR ENDED JUNE 30, 2017**

**PREPARED BY DEPARTMENT OF FINANCE & ADMINISTRATION**

**JASON S. LOSCHIAVO, CPA  
DIRECTOR OF FINANCE & ADMINISTRATION**



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## **BOARD MEMBERS**

**As of June 30, 2017**

**Commissioner Bob Dallari, Chair**

*Seminole County*

**Commissioner Cheryl Grieb, Vice Chair**

*Osceola County*

**Pete Clarke, Secretary/Treasurer**

*Orange County*

**Mayor Jose Alvarez**

*City of Kissimmee*

**Mr. Dean Asher**

*Greater Orlando Aviation Authority*

**Mayor Patricia Bates**

*City of Altamonte Springs*

**Ms. Candy Bennage\***

*Kissimmee Gateway Airport*

**Mayor Gary Bruhn**

*Municipal Advisory Committee*

**Commissioner Lee Constantine**

*Seminole County*

**Mayor Buddy Dyer**

*City of Orlando*

**Commissioner Fred Hawkins, Jr.**

*Central Florida Expressway Authority*

**Commissioner Samuel B. Ings**

*City of Orlando*

**Mayor Teresa Jacobs**

*Orange County*

**Commissioner Viviana Janer**

*Central Florida Regional Transportation Authority  
(LYNX)/Central Florida Commuter Rail Commission*

**Mayor Joe Kilsheimer**

*City of Apopka*

**Mr. Steve Martin\***

*District Five Secretary  
Florida Department of Transportation*

**Ms. Mary Moskowitz\***

*Technical Advisory Committee*

**Commissioner Bryan Nelson**

*Orange County*

**Mr. Tom O'Hanlon\***

*Community Advisory Committee*

**Commissioner Victoria Siplin**

*Orange County*

**Mr. Stephen Smith**

*Sanford Airport Authority*

**Commissioner Jennifer Thompson**

*Orange County*

**Mayor Jeff Triplett**

*City of Sanford*

**Commissioner Betsy VanderLey**

*Orange County*

**Ms. Joedel Zaballero\***

*TSMO Advisory Committee*

*\*Non-voting advisors*

## **LOCAL FUNDING PARTNERS**

**July 1, 2016 to June 30, 2017**

*Orange County Government*

*Osceola County Government*

*Seminole County Government*

*City of Altamonte Springs*

*City of Apopka*

*City of Kissimmee*

*City of Orlando*

*City of Sanford*

*Central Florida Regional Transportation Authority*

*Greater Orlando Aviation Authority*

*Central Florida Expressway Authority*

*Sanford Airport Authority*

*Municipal Advisory Committee Members*

## MANAGEMENT TEAM

As of June 30, 2017

*Harold W. Barley*  
*Executive Director*

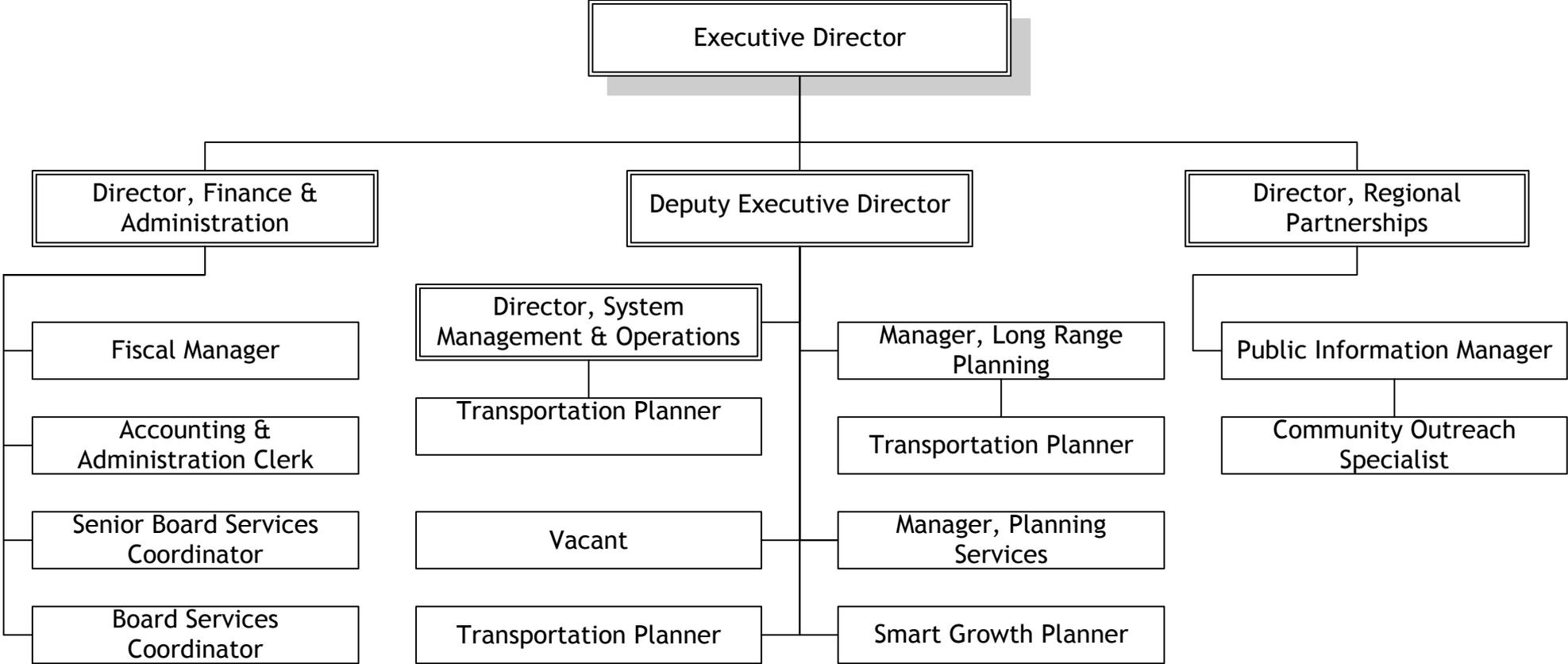
*Gary D. Huttman*  
*Deputy Executive Director*

*Eric T. Hill*  
*Director of System Management and Operations*

*Virginia Lewis-Whittington*  
*Director of Regional Partnerships*

*Jason S. Loschiavo, CPA*  
*Director of Finance and Administration*

# MetroPlan Orlando Organizational Chart - Fiscal Year 2016-2017



Authorized Positions  
Full Time 18

# **Financial Section**

**Independent Auditor's Report**

**Management's Discussion and Analysis**

**Basic Financial Statements**

**Notes to the Financial Statements**







## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
MetroPlan Orlando  
Orlando, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of MetroPlan Orlando (the "Organization") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Organization'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 misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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

To the Board of Directors of  
MetroPlan Orlando

### ***Opinions***

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Organization as of June 30, 2017, the respective changes in financial position thereof, and the respective budgetary comparison for the General Fund and the Major Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a 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 in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Organization's basic financial statements as a whole. The introductory section and other supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis, as required by the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and is also not a required part of the financial statements. The schedule of expenditures of federal awards 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. The 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 information is fairly stated, in all material respects, in relation to the financial statements taken as a whole. The introductory section and other supplementary information have 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 them.

To the Board of Directors of  
MetroPlan Orlando

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2017 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



**MOORE STEPHENS LOVELACE, P.A.**  
Certified Public Accountants

Orlando, Florida  
September 27, 2017

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**MetroPlan Orlando**  
**A Regional Transportation Partnership**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2017

Our discussion and analysis of MetroPlan Orlando's (the "Organization") financial performance provides an overview of the Organization's activities for the fiscal year ended June 30, 2017. Please read it in conjunction with the financial statements and accompanying notes, which begin on page 9.

**Overview of the Financial Statements**

The organization-wide and fund financial statements are combined for this annual report, as all activities of the Organization are governmental activities. The report consists of the organization-wide and fund financial statements, notes to the financial statements, and other supplementary information. The statements are designed to provide readers with a broad overview of the Organization's finances in a manner similar to a private-sector business.

The Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances presents information on how the Organization's net position changed during the most recent fiscal year. The Organization uses the economic resources measurement focus and the accrual basis of accounting. All changes in Net Position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., grants receivable and earned but unused personal leave). These governmental activities are primarily supported by member assessments and operating grants.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Organization uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Organization's special revenue programs are shown combined, as all are federal and state reimbursable operating grants.

The notes to the financial statements provide additional information essential to a full understanding of the basic financial statements. Included in the notes is information on the reconciliation between the government-wide and fund financial statements. The notes to the financial statements begin on page 12 of this report.

**Financial Analysis - Government-Wide**

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

Total net position (assets less liabilities) at the end of Fiscal Year 2017 was \$4,683,483, down 3.3%, or \$160,346, from last year as expenditures were greater than revenues. Net position is separated into two distinct categories: net investment in capital assets and unrestricted net position. Net investment in capital assets (furniture, equipment, and software) represents 6.9% of total net position and is not available for future spending. The balance of \$4,360,384 represents unrestricted net position and is available to meet the Organization's obligations to its partners and citizens.

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2017

<b>NET POSITION</b>	<b>FY 2017</b>	<b>FY 2016</b>	<b>Dollar Change</b>	<b>Percent Change</b>
Current and other assets	\$ 5,102,492	\$ 5,375,462	\$ (272,970)	(5.1%)
Capital assets	323,099	369,789	(46,690)	(12.6%)
<b>Total Assets</b>	<b>5,425,591</b>	<b>5,745,251</b>	<b>(319,660)</b>	<b>(5.6%)</b>
Accounts payable	417,271	538,507	(121,236)	(22.5%)
Accrued liabilities	33,530	81,526	(47,996)	(58.9%)
Accrued compensated absences	291,307	281,389	9,918	3.5%
<b>Total Liabilities</b>	<b>742,108</b>	<b>901,422</b>	<b>(159,314)</b>	<b>(17.7%)</b>
Net position:				
Net investment in capital assets	323,099	369,789	(46,690)	(12.6%)
Restricted	0	0	0	0.0%
Unrestricted	4,360,384	4,474,040	(113,656)	(2.5%)
<b>Total net position</b>	<b>\$ 4,683,483</b>	<b>\$ 4,843,829</b>	<b>\$ (160,346)</b>	<b>(3.3%)</b>
<b>CHANGES IN NET POSITION</b>	<b>FY 2017</b>	<b>FY 2016</b>	<b>Dollar Change</b>	<b>Percent Change</b>
Revenues				
Operating grants				
Federal	\$ 3,302,621	\$ 2,669,927	\$ 632,694	23.7%
State	98,413	97,824	589	0.6%
State matching	124,095	93,635	30,460	32.5%
<b>Total operating grants</b>	<b>3,525,129</b>	<b>2,861,386</b>	<b>663,743</b>	<b>23.2%</b>
Charges for services	1,126,815	1,105,228	21,587	2.0%
Interest	19,574	8,608	10,966	127.4%
Miscellaneous revenues	56,866	107,214	(50,348)	(47.0%)
<b>Total revenues</b>	<b>4,728,384</b>	<b>4,082,436</b>	<b>645,948</b>	<b>15.8%</b>
Expenses:				
Programs and operations	4,820,905	3,874,685	946,220	24.4%
Depreciation	67,825	55,927	11,898	21.3%
<b>Total expenses</b>	<b>4,888,730</b>	<b>3,930,612</b>	<b>958,118</b>	<b>24.4%</b>
Change in Net position	(160,346)	151,824	(312,170)	(205.6%)
<b>Net Position</b>				
Beginning of the year	4,843,829	4,692,005	151,824	3.2%
<b>End of the year</b>	<b>\$ 4,683,483</b>	<b>\$ 4,843,829</b>	<b>\$ (160,346)</b>	<b>(3.3%)</b>

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2017

**Financial Analysis - Fund Level**

Governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Organization's financing requirements. The General Fund is the chief operating fund of the Organization. Total assets in the General Fund decreased 3.3%, or \$162,728, comprised mostly of a \$276,048 decrease in cash and cash equivalents and an increase in Due from Other Funds of \$108,292. Due from Other Funds represents reimbursable grants and is up 21.4% due to more grant billings at year end. New grants received for traffic signal retiming studies was a major factor for the increase. This work will be ongoing and will increase future budgets.

Accounts Payable in the Special Revenue Fund was down 22%, or \$110,242. Ninety-four percent or \$390,098 of all accounts payable balances were comprised mostly of year-end billings for consultant fees and pass-through dollars and are reimbursable expenses as addressed under Due from Other Funds in the above paragraph.

The Organization is in good financial condition. At the end of the current fiscal year, Unassigned Fund Balance of the General Fund was \$4,591,897, while total Fund Balance was \$4,651,691, the difference being a non-spendable amount for prepaid items of \$39,794 and rent deposits of \$20,000. Due to the advanced funding requirement of reimbursable grants and the timing of revenues from local funding partners, it is important that the Organization maintain a minimum amount of General Fund liquidity to maintain operations. An Unassigned Fund Balance of approximately \$1,610,707 or one-third of Governmental Fund expenditures (\$4,832,122) appears warranted as a minimum. However, due to the reliance on federal and state grants as the major funding for the Organization and the potential for delays or cuts to that funding, the Organization strives for higher reserve balances to withstand potential gaps or cuts in funding.

Revenues in the General Fund were down \$17,795, or 1.5%, compared to the prior year. Charges for service and interest income increased in FY'17 while miscellaneous revenues decreased mainly due to the one time reimbursement of tenant improvements in FY'16 for MetroPlan Orlando's new office space.

Expenditures and transfers out were \$1,306,993 in the General Fund, which represents an increase of \$33,708, or 2.6%, over last year. The largest changes within the General Fund were from a decrease in equipment and furniture purchases of \$217,600 related to the relocation of MetroPlan Orlando offices in FY'16, an increase to salary and fringe benefits of \$175,052 due to more employee salary charged to the General Fund in FY 2017 than in FY 2016, and an increase in legal fees of \$21,367 mainly from research into Florida Turnpike's express lane policy as well as research into the possibility of a regional, multi-county funding source for transportation needs.

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2017

**Budgetary Variations**

A comparison of the original budget, final amended budget and actual amounts can be found on page 11 of this report. Transportation expenditures in the General Fund were \$231,462 less than budget due to unfilled staff positions and projects not completed in FY 2017. Miscellaneous revenues in the General Fund were \$401,636 less than budgeted for the same reasons.

Special Revenue Fund revenue was \$1,523,506 less than budget, and expenditures were \$1,570,303 less than budget due to the reasons stated above for the General Fund. Additionally, about one-third of the FTA grant funds are budgeted for FY 2017 to cover the first three months of the fiscal year when new FTA funds are not yet available.

**Capital Assets and Long-Term Debt**

The Organization's investment in capital assets, net of accumulated depreciation, as of June 30, 2017 and 2016 amounted to \$323,099 and \$369,789 respectively. Assets purchased this year included new computers for staff and finishing the new MetroPlan Orlando website. Capital assets consist of equipment, furniture, and software used by the organization in its daily operations.

The Organization's long-term debt is comprised solely of employee's accrued compensated absences. As of June 30, 2017, the Organization had \$291,307 in accrued compensated absences, of which \$32,403 is considered to be due within one year. A more detailed explanation of compensated absences can be seen in the notes to the financial statements.

**Economic Factors and Next Year's Budget and Rates**

The Organization anticipates funding from local assessment revenues to increase slightly in FY 2018. Local funding partners, other than operating agencies and the Municipal Advisory Committee members, contribute \$0.50 per capita. Annual population growth is expected to continue at a rate of between 2% and 3% so local revenue will increase by the same percentage.

In addition to building reserves to meet planning needs, the Organization is actively pursuing other federal and state discretionary grant sources to bring additional funds to the region. Contributions are expected to continue from neighboring MPOs to help support the work of the Central Florida MPO Alliance.

Long-range plans are anticipated to be a more challenging effort in the future with policy and funding changes that are expected at the federal level, along with FAST Act performance measures and planning for the introduction of autonomous and connected vehicles. The Organization has integrated these factors into its work program but more changes are expected as the industry continues to evolve. Additional studies are anticipated for new corridors, freight, rail, expanded bus service, bus rapid transit, paratransit and ridesharing services, trails, complete streets, and technology-related enhancements that will benefit traffic operations and improve safety. In addition, the Organization is

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ended June 30, 2017

engaged in identifying prospective opportunities for generating additional capital and operating funds to meet the region's transportation needs.

**Requests for Information**

This financial report is designed to provide a general overview of the Organization's finances for all those with an interest in the Organization's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance and Administration, MetroPlan Orlando, 250 South Orange Avenue, Suite 200, Orlando, Florida 32801-3441.

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STATEMENT OF NET POSITION AND  
GOVERNMENTAL FUNDS BALANCE SHEET

For the Year Ended June 30, 2017

	General Fund	Special Revenue Fund	Total	Adjustments (Note 2)	Statement of Net Position
<b>ASSETS</b>					
Cash and cash equivalents	\$ 4,033,261	\$ -	\$ 4,033,261	\$ -	\$ 4,033,261
Accounts receivable	5,000	-	5,000	-	5,000
Due from other funds	614,339	-	614,339	(614,339)	-
Due from other governments	-	1,004,437	1,004,437	-	1,004,437
Prepaid items	39,794	-	39,794	-	39,794
Deposits	20,000	-	20,000	-	20,000
Capital assets, net	-	-	-	323,099	323,099
<b>Total Assets</b>	<b>\$ 4,712,394</b>	<b>\$ 1,004,437</b>	<b>\$ 5,716,831</b>	<b>(291,240)</b>	<b>5,425,591</b>
<b>LIABILITIES</b>					
Accounts payable	27,173	390,098	417,271	-	417,271
Due to other funds	-	614,339	614,339	(614,339)	-
Accrued liabilities	33,530	-	33,530	-	33,530
Accrued compensated absences	-	-	-	291,307	291,307
<b>Total Liabilities</b>	<b>60,703</b>	<b>1,004,437</b>	<b>1,065,140</b>	<b>(323,032)</b>	<b>742,108</b>
<b>FUND BALANCES/ NET POSITION</b>					
Fund balances:					
Nonspendable:					
Prepaid items	39,794	-	39,794	(39,794)	-
Deposits	20,000	-	20,000	(20,000)	-
Restricted	-	-	-	-	-
Unassigned	4,591,897	-	4,591,897	(4,591,897)	-
Total Fund Balances	<b>4,651,691</b>	<b>-</b>	<b>4,651,691</b>	<b>(4,651,691)</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 4,712,394</b>	<b>\$ 1,004,437</b>	<b>\$ 5,716,831</b>		
<b>Net position:</b>					
Net investment in capital assets				323,099	323,099
Restricted				-	-
Unrestricted				4,360,384	4,360,384
<b>Total Net Position</b>				<b>\$ -</b>	<b>\$ 4,683,483</b>

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

**MetroPlan Orlando**  
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STATEMENT OF ACTIVITIES AND  
GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES

For the Year Ended June 30, 2017

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>	<u>Adjustments (Note 2)</u>	<u>Statement of Activities</u>
<b>REVENUES</b>					
Operating grants					
Federal	\$ -	\$ 3,302,621	\$ 3,302,621	\$ -	\$ 3,302,621
State	-	98,413	98,413	-	98,413
State matching	-	124,095	124,095	-	124,095
Charges for services	1,126,815	-	1,126,815	-	1,126,815
Interest	19,574	-	19,574	-	19,574
Miscellaneous revenues	56,866	-	56,866	-	56,866
Total Revenues	<u>1,203,255</u>	<u>3,525,129</u>	<u>4,728,384</u>	<u>-</u>	<u>4,728,384</u>
<b>EXPENDITURES / EXPENSES</b>					
Transportation:					
Current:					
Programs and operations	1,168,985	3,642,002	4,810,987	9,918	4,820,905
Depreciation	-	-	-	67,825	67,825
Capital outlay	21,135	-	21,135	(21,135)	-
Total Expenditures/Expenses	<u>1,190,120</u>	<u>3,642,002</u>	<u>4,832,122</u>	<u>56,608</u>	<u>4,888,730</u>
Excess (deficiency) of revenues over expenditures	13,135	(116,873)	(103,738)		
Transfers - internal activities	<u>(116,873)</u>	<u>116,873</u>	<u>-</u>		
Excess of revenues and transfers in (out) over expenditures	(103,738)	-	(103,738)	103,738	-
Change in net position				(160,346)	(160,346)
<b>FUND BALANCES / NET POSITION</b>					
Beginning of the year	4,755,429	-	4,755,429	88,400	4,843,829
End of the year	<u>\$ 4,651,691</u>	<u>\$ -</u>	<u>\$ 4,651,691</u>	<u>\$ 31,792</u>	<u>\$ 4,683,483</u>

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

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND AND SPECIAL REVENUE FUND

For the Year Ended June 30, 2017

	<b>Budgeted Amounts</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>
<b>GENERAL FUND</b>			
<b>Revenues</b>			
Charges for services	\$ 1,126,815	\$ 1,126,815	\$ 1,126,815
Interest	13,500	17,500	19,574
Miscellaneous revenues	402,683	458,502	56,866
Total Revenues	<u>1,542,998</u>	<u>1,602,817</u>	<u>1,203,255</u>
<b>Expenditures</b>			
Current:			
Transportation	1,366,982	1,400,447	1,168,985
Capital outlay	26,700	38,700	21,135
Total Expenditures	<u>1,393,682</u>	<u>1,439,147</u>	<u>1,190,120</u>
Excess of revenues over expenditures	149,316	163,670	13,135
<b>Other Financing Sources / (Uses)</b>			
Transfers in	-	-	7,222
Transfers out	(149,316)	(163,670)	(124,095)
Total Other Financing Sources / (Uses)	<u>(149,316)</u>	<u>(163,670)</u>	<u>(116,873)</u>
Net change in fund balance	-	-	(103,738)
Fund Balance at Beginning of Year	-	-	4,755,429
<b>Fund Balance at End of Year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,651,691</u></u>
<b>SPECIAL REVENUE FUNDS</b>			
<b>Revenues</b>			
Operating grants	\$ 4,423,866	\$ 5,048,635	\$ 3,525,129
Total Revenues	<u>4,423,866</u>	<u>5,048,635</u>	<u>3,525,129</u>
<b>Expenditures</b>			
Current:			
Transportation	4,573,182	5,212,305	3,642,002
Total Expenditures	<u>4,573,182</u>	<u>5,212,305</u>	<u>3,642,002</u>
Deficiency of revenues over expenditures	(149,316)	(163,670)	(116,873)
<b>Other Financing Sources / (Uses)</b>			
Transfers in	149,316	163,670	124,095
Transfers out	-	-	(7,222)
Total Other Financing Sources / (Uses)	<u>149,316</u>	<u>163,670</u>	<u>116,873</u>
Net change in fund balance	-	-	-
Fund Balance at Beginning of Year	-	-	-
<b>Fund Balance at End of Year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. The Reporting Entity**

The Orlando Urban Area Metropolitan Planning Organization d/b/a MetroPlan Orlando/A *Regional Transportation Partnership* (the “Organization”) is a voluntary association of local governmental units organized under the authority of Chapter 339.175 of the Florida Statutes in accordance with the 1962 Federal Aid Highway Act. Its primary purpose is to provide leadership in the initiation and development of transportation plans and programs and the establishment of transportation priorities and strategies in Orange, Seminole, and Osceola Counties. Board membership is apportioned by the Governor of Florida and interlocal agreements among the various governmental entities within the Orlando and Kissimmee Urbanized Areas on the basis of equitable population ratio and prevailing federal and state laws. Membership is comprised of representatives of Orange County (6); Osceola County (1); Seminole County (2); City of Orlando (2); (1) each for the Cities of Altamonte Springs, Apopka, Kissimmee, and Sanford; Greater Orlando Aviation Authority (1); Central Florida Expressway Authority (1); Sanford Airport Authority (1); Central Florida Regional Transportation Authority (LYNX) (1); and the Municipal Advisory Committee (MAC) (1). The MAC is a committee of the board comprised of smaller cities in the region that do not have a full voting seat on the board. Representatives from the Florida Department of Transportation and Kissimmee Gateway Airport and the Chairpersons of the Technical Advisory Committee, the Transportation System Management & Operations Advisory Committee, and the Community Advisory Committee serve as non-voting advisors.

The accompanying financial statements present the financial position and results of operations of the applicable funds controlled by or dependent upon the Organization. In evaluating the Organization as a reporting entity, management has addressed all potential component units for which the Organization may or may not be financially accountable and, as such, are includable within the Organization’s financial statements. No component units exist which would require inclusion in the Organization’s financial statements.

**B. Government-wide and Fund 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 Organization. The effect of interfund activities has been removed from these statements. The Organization only has governmental activities and does not engage in any business-type activities. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges for services, which include member assessments; 2) operating grants; and 3) miscellaneous revenues. General revenues include interest income. Fund financial statements are presented for the Organization’s General and Special Revenue Funds. Both of these funds are considered to be major funds. The Special Revenue Fund is used to account for federal and state funded transportation planning activities.

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
June 30, 2017

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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 imposed by the provider have been met. When both restricted and unrestricted resources are available for use, it is the Organization's policy to use restricted resources first, then unrestricted resources, as they are needed.

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 or soon enough thereafter to pay liabilities of the current period. For this purpose, the Organization considers revenues to be available if they are collected within 90 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

**D. Fund Balances and Spending Order**

The Organization classifies governmental fund balances as follows:

- Non-spendable Fund Balance - represents fund balance that is (a) not in a spendable form, such as prepaid items or (b) legally or contractually required to be maintained intact, such as an endowment.
- Restricted Fund Balance - consists of amounts that can be spent only on the specific purpose stipulated by law or by the external providers of those resources.
- Unassigned Fund Balance - represents the residual classification of fund balance and includes all spendable amounts not contained within the other classifications of the General Fund.

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

**E. Budgets and Budgetary Accounting**

On or before July 1 of each year, the Organization adopts an annual budget on a generally accepted accounting principles (GAAP) basis sufficient to support the anticipated Unified Planning Work Program (UPWP) for the year. The budget is adopted at the fund level and includes combined revenues from all sources, including federal, state, local and private grants-in-aid, contracts, fees, and such other funding sources legitimately available to the Organization. The level of budget control is at the UPWP task level. Florida Department of Transportation requires all metropolitan planning organizations to

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

June 30, 2017

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

develop a two-year UPWP, consisting of the first year ending on an odd fiscal year date and the second year ending on an even fiscal year date. The second year is considered preliminary for budget purposes as all revenues, especially federal and state grants, are estimated for year two. It is the policy of the organization to revise the second year budget prior to the start of the Fiscal Year.

**F. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and investments in the State Board of Administration Local Government Pooled Investment Accounts.

**G. Prepays**

Prepays represent payments made to vendors for services that will benefit beyond June 30, 2017.

**H. Office Furniture, Fixtures and Equipment**

Office furniture, fixtures and equipment purchased in the Governmental Fund Types are recorded as expenditures at the time of purchase. It is the Organization's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Gifts or contributions of capital assets are recorded at fair market value at the time received. Depreciation has been expensed on capital assets as a direct charge using the straight-line method over the estimated useful lives of the various classes of depreciable assets, which range from 3-15 years.

**I. Compensated Absences**

It is the Organization's policy to grant employees personal leave based upon the number of years of employment with the Organization. Personal leave may be used as time off or, upon resignation or retirement with two weeks' notice, shall be paid up to the maximum the employee would earn in three years. The Executive Director shall be paid up to the maximum earned in four years. The Executive Director may also participate in a personal leave buy-back during each contract year, up to a maximum of four weeks of accumulated leave. Such leave pay shall be made at the employee's current rate of pay. Employees who terminate prior to completion of six months continuous service will not be paid for any accrued personal leave time.

**J. Indirect Costs**

Certain administrative costs are recorded in the General Fund as indirect costs in the Organization's accounting system and are allocated to the Special Revenue Fund based upon an indirect cost rate appropriate in the circumstances. The rate is based upon direct salary and fringe benefit costs and is calculated using actual indirect costs.

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
 June 30, 2017

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**K. Grants**

Revenues received or used from grants for governmental funds are recognized as current revenues when they become subject to accrual that is both measurable and available (modified accrual basis).

**L. Interfund Transfers**

Interfund transfers are between the Organization’s General and Special Revenue Funds and represent the local match, where required, for federal and state grants received or excess revenue or expenditures from performance-based grants. All grants are cost reimbursable grants, except for the Transportation Disadvantaged grant, which is performance-based and is reimbursed as tasks are completed. Eligible project costs are 100% advance-funded by the General Fund.

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

Adjustments were made to include capital assets (net of accumulated depreciation) and long-term liabilities on the statement of net position. This resulted in a net difference between ending governmental fund balances and total net position of \$31,792. Interfund payables and receivables were also eliminated.

Ending governmental fund balances	\$ 4,651,691
Capital assets, net	323,099
Accrued compensated absences	<u>(291,307)</u>
Total net position	<u><u>\$ 4,683,483</u></u>

Adjustments were made to include depreciation expense, eliminate capital outlay expenditures, and record the increase in compensated absences on the statement of activities. This resulted in a net difference between “excess of revenues and transfers in over expenditures and transfers out” and “change in net position” of \$56,608.

Excess of revenues and transfers in over expenditures and transfers out	\$ (103,738)
Less: Depreciation expense	(67,825)
Increase in compensated absences	(9,918)
Add: Capital outlay expenditures	<u>21,135</u>
Change in net position	<u><u>\$ (160,346)</u></u>

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

June 30, 2017

**NOTE 3 – DEPOSITS AND INVESTMENTS**

Authorized Investments

The Organization may invest surplus funds in the Local Government Surplus Trust Funds Investment Pool, now called the Florida Prime, (State Board of Administration, “SBA”); negotiable direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by the United States Government at the then prevailing market price for such securities with remaining maturities not exceeding one year; demand deposits and interest-bearing time deposits, money market, or savings accounts in banks organized under the laws of Florida, in national banks organized under laws of the United States, in savings and loan associations which are under state supervision, or in federal savings and loan associations organized under federal law and federal supervision, provided that each such firm shall be doing business and is situated in the tri-county area, and further provided that any such deposits are collateralized, as may be prescribed by Chapter 280, Florida Statutes.

Cash in excess of current requirements is invested in various interest-bearing securities and is classified as investments. Investments are recorded at fair market value and consist entirely of money market funds whose fair market value approximates cost.

Deposits

Deposits consist of interest and noninterest-bearing demand accounts. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral, pursuant to the Public Depository Security Act of the State of Florida.

Investments

The Organization is authorized to invest in investment vehicles, as defined in the written investment policy which was approved by the Board. The policy specifies the authorized investment vehicles which, among others, include the Local Government Surplus Trust Funds Investment Pool (State Board of Administration, “SBA”), negotiable direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by the United States Government at the then prevailing market price for such securities with remaining maturities not exceeding one year, for certain money market funds and repurchase agreements. The policy also specifies the portfolio allocation which is intended to meet the Organization’s specified goals, in order of priority of safety, liquidity, and yield.

The Florida Prime is considered an SEC 2a-7-like pool, an external investment pool that is not registered with the Securities and Exchange Commission as an investment company but, nevertheless, has a policy that it will, and does, operate in a manner consistent with Rule 2a-7 under the Investment Company Act of 1940. Thus, the account balance should also be considered the fair value of the investment. The LGIP is rated by Standard and Poor’s with a current rating of AAAM. The Fund rating is reviewed weekly. The weighted average days-to-maturity (WAM) of the LGIP, the Florida Prime, at June 30, 2017, was 39 days. Currently, all of the Florida Prime balance for the Organization is eligible for withdrawal.

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

June 30, 2017

**NOTE 3 – DEPOSITS AND INVESTMENTS – Continued**

As of June 30, 2017, the Organization has the following balances invested:

	<u>Fair Value</u>
Bank Demand Deposits	\$ 1,913,731
Petty Cash	125
State Board of Administration:	
LGIP-Prime	2,119,405
Total Deposits and Investments	<u>\$ 4,033,261</u>

**NOTE 4 – CAPITAL ASSETS**

The following is a summary of changes in capital assets during the fiscal year:

	<u>Balance</u>			<u>Balance</u>
	<u>July 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2017</u>
Capital Assets not being depreciated:				
CIP - Software	\$ 42,200	\$ 12,000	\$ (54,200)	\$ -
Capital Assets being depreciated:				
Office furniture, fixtures and equipment	633,574	63,335	(10,149)	686,760
Less: Accumulated depreciation	(305,985)	(64,723)	7,047	(363,661)
Total Capital Assets, net	<u>\$ 369,789</u>	<u>\$ 10,612</u>	<u>\$ (3,102)</u>	<u>\$ 323,099</u>

**NOTE 5 – LONG-TERM DEBT**

During the year ended June 30, 2017, the following changes occurred in long-term liabilities:

	<u>Balance</u>			<u>Balance</u>	<u>Due Within One</u>
	<u>July 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2017</u>	<u>Year</u>
Accrued compensated absences	<u>\$ 281,389</u>	<u>\$ 231,123</u>	<u>\$ (221,205)</u>	<u>\$ 291,307</u>	<u>\$ 32,403</u>

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

June 30, 2017

**NOTE 6 – LEASE OBLIGATIONS**

The Organization leases office facilities and other equipment under non-cancelable operating leases.

- A. On June 8, 2015, the Organization entered into a ten-year lease agreement for new office space with ten months of free rent outside the lease term. Monthly rates for the new lease period range from \$20,000 in 2016 to \$27,000 in 2026, with one free month in each of the first ten years of the lease.
- B. The Organization entered into a new copier lease in July, 2015, extending from July, 2015, through August, 2020. Under the terms of the lease, monthly rentals are \$1,118, including a base year fee of \$135 per month with a yearly escalator to cover a set amount of copies and toner.
- C. In July, 2017, a 48-month lease agreement was entered into for a new mailing system, which expires in September, 2021. The quarterly lease payment is \$290.

The future minimum lease payments as of June 30, 2017, are as follows:

Year Ending June 30	Building	Copiers	Mail Machine	Total
2018	229,683	13,414	1,160	244,257
2019	236,550	13,414	1,160	251,124
2020	243,642	13,414	1,160	258,216
2021	250,967	1,118	1,160	253,245
2022	258,475			258,475
2023	266,208			266,208
2024	274,217			274,217
2025	282,458			282,458
2026	317,800			317,800
2027	107,500			107,500
	<u>\$ 2,467,500</u>	<u>\$ 41,360</u>	<u>\$ 4,640</u>	<u>\$ 2,513,500</u>

Building rent expense for the year ended June 30, 2017, was \$225,267.

**NOTE 7 – EMPLOYEE BENEFIT PLAN**

The Organization maintains the MetroPlan Orlando Money Purchase Pension Plan and Trust, a defined contribution pension plan. This is a tax-qualified plan pursuant to Section 401(a) of the Internal Revenue Code. This plan was established as of January 1, 1997, by the Board of the Organization. All full-time employees and regular part-time employees working 30 hours a week or more are eligible to participate in the plan upon employment. Participants become vested after one year of continuous employment.

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

June 30, 2017

**NOTE 7 – EMPLOYEE BENEFIT PLAN - Continued**

The Organization is required to contribute 10% of the salaries of eligible employees to the plan. Salaries include W-2 earnings plus any contributions made pursuant to a salary reduction agreement, which was not included in the gross income of the employer under Section 457 of the Internal Revenue Code. Employees may not contribute to the plan. For the year ended June 30, 2017, MetroPlan Orlando recognized employer contributions of \$149,713 in connection with the plan, \$2,778 of which was accrued at June 30, 2017, and paid subsequent to that time.

An outside party, the International City Management Association Retirement Corporation (ICMA) administers the plan with all funds invested with the ICMA Retirement Trust. Investments are self-directed by the employee. The normal retirement age has been designated by the employer as age 55. The plan permits withdrawals for retirement, termination, and disability. The plan does not allow participants to borrow against their accounts.

**NOTE 8 – RISK MANAGEMENT**

The Organization is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Organization purchases commercial insurance for all types of claims with nominal deductible amounts. The following is a summary of the Organization’s significant insurance coverage and limitations:

Coverage	Limitations
General/Professional Liability (Includes errors & omissions; and employee benefits program administration)	\$200,000 – Each person \$300,000 – Each occurrence \$500,000 – Combined single limit, per occurrence
Information Security & Privacy Liability	\$250,000 - Each claim
Fiduciary Liability (Pension Plan) Fiduciary Liability (Deferred Compensation Plan)	\$1,500,000 – Aggregate all claims \$500,000 – Aggregate all claims
Auto Liability	\$200,000 – Each person \$300,000 – Each occurrence \$500,000 – Combined single limit, per occurrence
Terrorism Physical Loss/Damage	\$5,000,000 – Aggregate per year
Property Damage (Includes personal property; inland marine; computer equipment and software)	\$402,800 – Personal property No Limit – Inland marine
Executive Travel Accident	\$250,000 – Per occurrence

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
June 30, 2017

**NOTE 8 – RISK MANAGEMENT – Continued**

Worker Compensation – Statutory	\$1,000,000 – Each accident
	\$1,000,000 – Each disease (policy limit)
	\$1,000,000 – Aggregate by disease

There have been no significant reductions in insurance coverage during Fiscal Year 2017. There have been no insurance claims in the past three years. Adjustments in fiduciary liability were made in 2017 to better align with plan assets, however, total coverage for the two plans remains the same in aggregate.

**NOTE 9 – COMMITMENTS AND CONTINGENCIES**

Intergovernmental Grants

Amounts received or receivable from grantors are subject to audit and adjustment by grantor agencies, principally federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the General Fund. The amount, if any, of expenditures, which may be disallowed by the grantor, cannot be determined at this time, although the Organization expects such amounts to be immaterial.

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# **Compliance Section**

**Compliance and Internal Control Over Financial Reporting**

**Management Letter**

**Compliance with Requirements Applicable to Each Major Program**

**Expenditures of Federal Awards**

**Findings and Questioned Costs**







**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***

To the Board of Directors of  
MetroPlan Orlando  
Orlando, Florida

We have audited, in accordance with the 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, the financial statements of the governmental activities and each major fund of MetroPlan Orlando (the “Organization”) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Organization’s basic financial statements, and have issued our report thereon dated September 27, 2017.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the Organization’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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’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 entity’s financial statements will not be prevented, or detected and 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 over financial reporting 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. However, material weaknesses may exist that have not been identified.

To the Board of Directors of  
MetroPlan Orlando

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**MOORE STEPHENS LOVELACE, P.A.**  
Certified Public Accountants

Orlando, Florida  
September 27, 2017



## INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Board of Directors of  
MetroPlan Orlando  
Orlando, Florida

### **Report on the Financial Statements**

We have audited the financial statements of MetroPlan Orlando (the "Organization") as of and for the fiscal year ended June 30, 2017, and have issued our report thereon dated September 27, 2017.

### **Auditor's Responsibility**

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; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and Chapter 10.550, *Rules of the Auditor General*.

### **Other Reports and Schedule**

We have issued our 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*; Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance; and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated September 27, 2017, should be considered in conjunction with this management letter.

### **Prior Audit Findings**

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

### **Other Matters**

Section 10.544(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have such recommendations.

To the Board of Directors of  
MetroPlan Orlando

**Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "Moore Stephens Lovelace, P.A.".

**MOORE STEPHENS LOVELACE, P.A.**

Certified Public Accountants

Orlando, Florida  
September 27, 2017



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of  
MetroPlan Orlando  
Orlando, Florida

**Report on Compliance for Each Major Federal Program**

We have audited the compliance of MetroPlan Orlando (the “Organization”) with the types of compliance requirements described in the U.S. Office of Management and Budget *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended June 30, 2017. The Organization’s major federal program is 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 the Organization’s major federal program 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; and the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization’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 the major federal program. However, our audit does not provide a legal determination of the Organization’s compliance.

***Opinion on the Major Federal Program***

In our opinion, the Organization complied, in all material respects, with the types of requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2017.

To the Board of Directors of  
MetroPlan Orlando

### **Report on Internal Control over Compliance**

Management of the Organization 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 the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 the Organization'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 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.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



**MOORE STEPHENS LOVELACE, P.A.**

Certified Public Accountants

Orlando, Florida  
September 27, 2017

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2017

Federal or State Agency/ State Pass-Through Grantor/ Program Title	Catalog of Federal/State Domestic Assistance Number	Grant Identification Number	Total Program Expenditures
<b>Federal Awards:</b>			
Federal Highway Administration:			
Passed through the State of Florida			
Department of Transportation:			
Unified Planning Work Program			
PL-0087(54)A - FY 2017			
FM#439332-1-14-01			
	20.205	G0B23	\$ 1,131,444
ITS Master Plan/Signal Retiming (SU Funds)			
FM#439332-1-14-02			
	20.205	G0B23	958,620
WISE Grant Project FM#439332-1-14-03			
	20.205	G0B23	78,685
Signal Retiming SA Grant Project (SA Funds)			
FM#439332-1-14-04			
	20.205	G0B23	137,363
INVEST Grant Project FM#439332-1-14-05			
	20.205	G0B23	3,752
Total CFDA 20.205			<u>2,309,864</u>
Federal Transit Administration:			
Passed through the State of Florida			
Department of Transportation:			
Unified Planning Work Program			
Section 5305(d) - 2014/2015 - X009-00			
	20.505	AQG29	84,031
Unified Planning Work Program			
Section 5305(d) - 2015/2016 - X010-00			
	20.505	AQG29	359,145
Unified Planning Work Program			
Section 5305(d) - 2016/2017 - X011-00			
	20.505	G0G13	<u>549,581</u>
Total CFDA 20.505			<u>992,757</u>
<b>Total Expenditures of Federal Awards:</b>			<u><u>\$ 3,302,621</u></u>

Note to Schedule:

The accompanying Schedule is presented using the modified accrual basis of accounting. Under the modified accrual basis, revenue is recognized if it is measurable and available for use during the year. Expenditures are recognized in the period liabilities are incurred, if measurable. The amounts reported in the Schedule have been reconciled to and are in material agreement with amounts recorded in the Organization's accounting records from which the basic financial statements were prepared. The Organization did not elect to use the 10% de minimis indirect cost rate.

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2017

**Section I - Summary of Auditor's Results**

Financial Statement

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

**Unmodified**

Internal control over financial reporting:

Material weakness(es) identified?

	Yes	<u>          X          </u>	No
--	-----	------------------------------	----

Significant deficiency(ies) identified?

	Yes	<u>          X          </u>	None reported
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Noncompliance material to financial statements noted?

	Yes	<u>          X          </u>	No
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Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?

	Yes	<u>          X          </u>	No
--	-----	------------------------------	----

Significant deficiency(ies) identified?

	Yes	<u>          X          </u>	None reported
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Type of auditor's report issued on compliance for major federal programs:

**Unmodified**

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

	Yes	<u>          X          </u>	No
--	-----	------------------------------	----

Identification of major federal programs:

CFDA Number  
20.205

Name of Federal Program or Cluster  
Unified Planning Work Program

Dollar threshold used to distinguish between

Type A and Type B programs

Federal	\$750,000
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Auditee qualified as low-risk auditee?

<u>          X          </u>	Yes		No
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**Section II - Financial Statement Findings**

No matters were reported.

**Section III - Federal Award Findings and Questioned Costs**

No matters were reported.

**Other  
Supplementary  
Information**





**MetroPlan Orlando**  
**A Regional Transportation Partnership**

SCHEDULE OF DETAILED REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

GENERAL FUND

For the Year Ended June 30, 2017

Revenues:	
Charges for services	
Member assessments	\$ 1,126,815
Interest	19,574
Miscellaneous revenues	56,866
Total Revenues	<u>1,203,255</u>
Expenditures:	
Books, publications, subscriptions & memberships	20,257
Community relations & advertising	163,650
Computer operations	1,800
Consultants	60,135
Contractual services	2,784
Equipment & furniture	13,996
Equipment rent & repair	471
Fringe benefits	167,042
Indirect costs	97,999
Insurance	200
Legal	56,400
Office supplies	10,523
Operating supplies	39,875
Other miscellaneous	9,239
Postage	3,601
Printing & binding	24,172
Repair & maintenance	611
Salaries	441,257
Seminars/Training	16,911
Software	20,060
Travel & per diem	39,137
Total Expenditures	<u>1,190,120</u>
Excess of Revenues Over Expenditures	<u>13,135</u>
Other Financing Sources / (Uses):	
Transfers in	7,222
Transfers out	(124,095)
Total Other Financing Sources / (Uses)	<u>(116,873)</u>
Excess of Revenues Over Expenditures and Other Financing Sources / (Uses)	(103,738)
Fund Balance, beginning of year	<u>4,755,429</u>
Fund Balance, end of year	<u><u>\$ 4,651,691</u></u>

**MetroPlan Orlando**  
**A Regional Transportation Partnership**

SCHEDULE OF DETAILED PROJECT REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
SPECIAL REVENUE FUND  
For the Year Ended June 30, 2017

	<u>State Department of Transportation</u>	<u>Federal Transit Administration</u>		
	<u>Transportation Disadvantaged</u>	<u>FL-08-X009-00</u>	<u>FL-08-X010-00</u>	<u>FL-08-X011-00</u>
Revenues:				
Intergovernmental:				
Federal	\$ -	\$ 84,031	\$ 359,145	\$ 549,581
State	98,413	10,504	44,893	68,698
Total intergovernmental revenues:	<u>98,413</u>	<u>94,535</u>	<u>404,038</u>	<u>618,279</u>
Other grants:				
Total grant revenue:	<u>98,413</u>	<u>94,535</u>	<u>404,038</u>	<u>618,279</u>
Expenditures:				
Audit	-	-	13,500	-
Community relations & advertising	1,870	-	-	-
Computer operations	-	-	-	-
Consultants	-	12,400	81,250	-
Fringe benefits	7,252	-	47,486	83,096
Printing & binding	1,790	-	-	-
Indirect costs	5,268	-	34,489	60,353
Office supplies	300	-	-	-
Pass-through expenses	50,304	92,639	114,565	267,674
Postage	329	-	-	-
Salaries	24,078	-	157,641	275,854
Seminars/Training	-	-	-	-
Total expenditures	<u>91,191</u>	<u>105,039</u>	<u>448,931</u>	<u>686,977</u>
Excess / (Deficiency) of Revenues Over Expenditures	<u>7,222</u>	<u>(10,504)</u>	<u>(44,893)</u>	<u>(68,698)</u>
Other Financing Sources / (Uses):				
Transfers in	-	10,504	44,893	68,698
Transfers out	(7,222)	-	-	-
Total Other Financing Sources / (Uses)	<u>(7,222)</u>	<u>10,504</u>	<u>44,893</u>	<u>68,698</u>
Excess / (Deficiency) of Revenues and Other Financing Sources / (Uses) Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at beginning of year	-	-	-	-
Fund Balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Federal Highway Administration

PL-0087(54)A FM#439332-1-14-01	ITS Master Plan Signal Retiming SU FM#439332-1-14-02	WISE Grant FM#439332-1-14-03	Signal Retiming SA FM#439332-1-14-04	INVEST FM#439332-1-14-05	Total Special Revenue Fund
\$ 1,131,444	\$ 958,620	\$ 78,685	\$ 137,363	\$ 3,752	\$ 3,302,621
-	-	-	-	-	222,508
1,131,444	958,620	78,685	137,363	3,752	3,525,129
1,131,444	958,620	78,685	137,363	3,752	3,525,129
14,000	-	-	-	-	27,500
-	-	-	-	-	1,870
17,280	-	-	-	-	17,280
221,738	943,786	70,000	137,363	-	1,466,537
174,082	2,940	1,721	-	744	317,321
-	-	-	-	-	1,790
126,437	2,135	1,250	-	540	230,472
-	-	-	-	-	300
-	-	-	-	-	525,182
-	-	-	-	-	329
577,907	9,759	5,714	-	2,468	1,053,421
-	-	-	-	-	-
1,131,444	958,620	78,685	137,363	3,752	3,642,002
-	-	-	-	-	(116,873)
-	-	-	-	-	124,095
-	-	-	-	-	(7,222)
-	-	-	-	-	116,873
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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metroplan orlando

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