



metroplan orlando

A REGIONAL TRANSPORTATION PARTNERSHIP

**ANNUAL**

**FINANCIAL**

**REPORT**

*Year Ended June 30, 2014*





metroplan orlando

*A REGIONAL TRANSPORTATION PARTNERSHIP*

# Annual Financial Report

OF

## MetroPlan Orlando

YEAR ENDED JUNE 30, 2014

PREPARED BY DEPARTMENT OF FINANCE & ADMINISTRATION

JASON S. LOSCHIAVO, CPA  
DIRECTOR OF FINANCE & ADMINISTRATION



# Introductory Section

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ANNUAL FINANCIAL REPORT  
Year Ended June 30, 2014

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Year Ended June 30, 2014

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**BOARD MEMBERS**  
As of June 30, 2014

***Commissioner Bob Dallari, Chairman***  
*Seminole County*

***Commissioner John Quiñones, Vice Chair***  
*Osceola County*

***Commissioner Scott Boyd, Secretary/Treasurer***  
*Orange County*

***Mr. Dean Asher***  
*Greater Orlando Aviation Authority*

***Commissioner Carlton Henley***  
*Seminole County*

***Commissioner Frank Attkisson***  
*Central Florida Regional Transportation Authority  
(LYNX)*

***Commissioner Samuel B. Ings***  
*City of Orlando*

***Mayor Patricia Bates***  
*City of Altamonte Springs*

***Mayor Teresa Jacobs***  
*Orange County*

***Ms. Candy Bennage\****  
*Kissimmee Municipal Airport*

***Mayor Joe Kilsheimer***  
*City of Apopka*

***Mayor Ken Bradley\****  
*Municipal Advisory Committee*

***Mr. Stephen Noto\****  
*Bicycle and Pedestrian Advisory Committee*

***Commissioner Pete Clarke***  
*Orange County*

***Mr. Charles Ramdatt***  
*Transportation Technical Committee*

***Mr. Larry Dale***  
*Sanford Airport Authority*

***Commissioner Tiffany Moore Russell***  
*Orange County*

***Ms. Noranne Downs\****  
*District Five Secretary  
Florida Department of Transportation*

***Mayor Jim Swan***  
*City of Kissimmee*

***Mayor Buddy Dyer***  
*City of Orlando*

***Commissioner Jennifer Thompson***  
*Orange County*

***Commissioner Ted Edwards***  
*Orange County*

***Mayor Jeff Triplett***  
*City of Sanford*

***Mr. Carnot Evans\****  
*Citizens' Advisory Committee*

***Vacant***  
*Central Florida Expressway Authority*

*\*Non-voting advisors*

## LOCAL FUNDING PARTNERS

July 1, 2013 to June 30, 2014

*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*

## MANAGEMENT TEAM

As of June 30, 2014

*Harold W. Barley*  
*Executive Director*

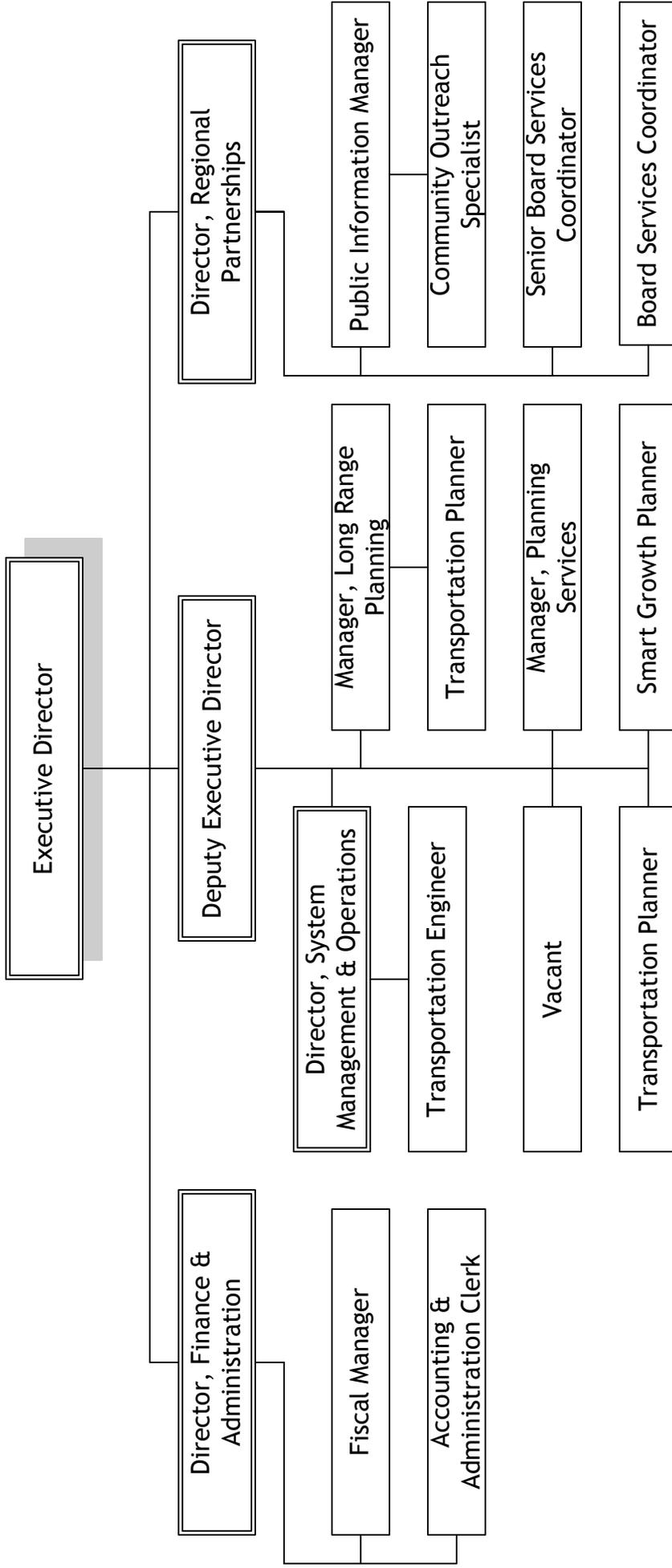
*Gary D. Huttman*  
*Deputy Executive Director*

*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 2013-2014



# 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, 2014, 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 above 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, 2014, and 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The schedule of expenditures of federal awards and state financial assistance 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 17, 2014 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.

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

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

Orlando, Florida  
September 17, 2014

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2014

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, 2014. 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 are 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.

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**A Regional Transportation Partnership**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2014

NET POSITION	<u>FY2014</u>	<u>FY2013</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Current and other assets	\$ 4,897,852	\$ 5,089,619	\$ (191,767)	(3.8%)
Capital assets	144,701	180,150	(35,449)	(19.7%)
Total Assets	<u>5,042,553</u>	<u>5,269,769</u>	<u>(227,216)</u>	<u>(4.3%)</u>
Accounts payable	181,146	401,418	(220,272)	(54.9%)
Accrued liabilities	62,287	59,247	3,040	5.1%
Accrued compensated absences	242,873	212,119	30,754	14.5%
Total Liabilities	<u>486,306</u>	<u>672,784</u>	<u>(186,487)</u>	<u>(27.7%)</u>
Net position:				
Net investment in capital assets	144,701	180,150	(35,449)	(19.7%)
Restricted	1,578	20,857	(19,279)	(92.4%)
Unrestricted	4,409,968	4,388,902	13,990	0.3%
Total net position	<u>\$ 4,556,247</u>	<u>\$4,596,985</u>	<u>(40,738)</u>	<u>(0.9%)</u>
CHANGES IN NET POSITION	<u>FY2014</u>	<u>FY2013</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Revenues				
Operating grants				
Federal	2,246,003	2,623,190	(377,187)	(14.4%)
State	123,617	234,325	(110,708)	(47.2%)
State matching	83,277	83,658	(381)	(0.5%)
Total operating grants	<u>2,452,897</u>	<u>2,941,173</u>	<u>(488,276)</u>	<u>(16.6%)</u>
Charges for services	1,006,787	1,006,787	-	0.0%
Interest	4,491	11,052	(6,561)	(59.4%)
Miscellaneous revenues	41,245	64,590	(23,346)	(36.1%)
Total revenues	<u>3,505,420</u>	<u>4,023,603</u>	<u>(518,183)</u>	<u>(12.9%)</u>
Expenses:				
Programs and operations	3,497,488	3,843,689	(346,201)	(9.0%)
Depreciation	48,670	56,953	(8,283)	(14.5%)
Total expenses	<u>3,546,158</u>	<u>3,900,642</u>	<u>(354,484)</u>	<u>(9.1%)</u>
Change in Net position	(40,738)	122,961	(163,699)	(133.1%)
Net Position				
Beginning of the year	4,596,985	4,474,024	122,961	2.7%
End of the year	<u>\$ 4,556,247</u>	<u>\$ 4,596,985</u>	<u>\$ (40,738)</u>	<u>(0.9%)</u>

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2014

Financial Analysis - Government-Wide (Continued)

Total net position (assets less liabilities) at the end of Fiscal Year 2014 was \$4,556,247, down 0.9%, or \$40,738, from last year as expenditures were greater than revenues. However, over the past two years, net position increased by a total of \$82,223. Net position is separated into three distinct categories: net investment in capital assets, restricted net position and unrestricted net position. Net investment in capital assets (furniture, equipment, and software) represents 3.2% of total net position and is not available for future spending. Restricted net position of \$1,578 consists of the remaining contribution balance from the Freedom of Mobility Foundation, Inc., to allow paratransit riders to travel and participate in transportation disadvantaged-related meetings, events or conferences. The balance of \$4,409,968 represents unrestricted net position and is available to meet the Organization's obligations to its partners and citizens.

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 increased 0.7%, or \$34,710, comprised of a \$197,080 increase in cash and cash equivalents, a decrease in Due from Other Funds and receivables of \$166,090 and an increase of prepaid items of \$3,720. Due from Other Funds represents reimbursable grants and is down 32.9%, or \$166,090. Grants receivable in FY 2014 included billings from the months of May and June, whereas in FY 2013, billings were outstanding for April, May, and June. Due from Other Governments in the Special Revenue Fund was down 43.9%, or \$392,567, for the same reason.

Accounts Payable in the Special Revenue Fund was down 58.2%, or \$226,477. Ninety percent or \$162,698 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 \$4,604,890, while total Fund Balance reached \$4,654,419, the difference being a non-spendable amount for prepaid items of \$33,830, rent deposits of \$14,121, and a restricted amount of \$1,578. 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 \$1,159,985 or one-third of Governmental Fund expenditures (\$3,479,955) 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.

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2014

Revenues in the General Fund were down \$29,907, or 2.8%, compared to the prior year. The majority of the reduction came from miscellaneous income which decreased \$23,346, mainly due to a one-time contribution of \$25,000 in FY 2013 from the Orlando-Orange County Expressway Authority to participate in the Value Pricing Pilot Program Feasibility Study. The remaining reduction of revenue came from interest income, specifically a reduction in the unrealized gain of Fund B at the State Board of Administration in FY 2014. Further discussion of Fund B can be found in Note 3 of the Notes to the Financial Statements on page 16. Local assessment revenues have remained unchanged since FY 2011.

Expenditures and transfers out were \$1,027,058 in the General Fund, which represents an increase of \$128,013, or 14.2%, over last year. This change within the General Fund represents an increase in local match requirements for grant expenditures of \$67,471; an increase in salary and fringe benefits of \$40,808 due to more employee salary charged to the General Fund in FY 2014 than in FY 2013; increase in computer operations of \$9,775 due to new support and maintenance of a project assessment tool used to rank projects within the Transportation Improvement Plan (TIP); and an increase in indirect costs of \$9,361 which are allocated based on salary, leave, and fringe amounts.

#### **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 \$261,308 less than budget due to unfilled staff positions, projects not completed in FY 2014, and unexpended grants in FY 2013 carried forward to FY 2014 and expended in a higher priority than the General Fund during FY 2014. Miscellaneous revenues in the General Fund were \$320,326 less than budgeted for the same reasons.

Special Revenue Fund revenue was \$937,342 less than budget, and expenditures were \$1,016,996 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 2015 to cover the first three months of the fiscal year when new FTA funds are not available.

#### **Capital Assets and Long-Term Debt**

The Organization's investment in capital assets, net of accumulated depreciation, as of June 30, 2014 and 2013 amounted to \$144,701 and \$180,150 respectively. There were no significant additions or deletions during the year. 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, 2014, the Organization had \$242,873 in accrued compensated absences, of which \$31,557 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.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2014

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

The Organization anticipates funding from local assessment revenues to increase slightly in FY 2015. Local funding partners have committed to contributing \$0.50 per capita in future fiscal years after seven years of contribution reductions and freezes.

The Organization is planning for the possibility of further reductions in Federal Highway Administration planning funds (PL) due to MAP-21 and the creation of additional MPOs in the State.

In addition to building reserves to meet planning needs, the Organization is actively pursuing other grant sources and partnering with others in the region to bring additional funds to the region. A Federal grant was applied for in FY 2012 and awarded to MetroPlan Orlando in FY 2013 for a congestion management pricing feasibility study which will be concluded in FY 2015. The Organization also is participating with plans for an alternatives analysis study in the U.S. 441 Corridor with the Lake-Sumter MPO; with plans for the Board's next transit project to provide rail service to Orlando International Airport. While these funds will come to the region, though not directly to the Organization, they are important in continuing the planning process.

Long-range plans are anticipated to be a more challenging effort in the future with new MAP-21 requirements for performance measures and continued uncertainty with the scope of the Federal transportation program. Accordingly, the Organization has started the process of integrating performance measures into its required documents and is engaged in developing new transportation funding mechanisms. Additional studies are anticipated for freight, rail, bus rapid transit and other transit needs as the region moves forward with SunRail.

### 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, 315 East Robinson Street, Suite 355, Orlando, Florida 32801-1949.

**MetroPlan Orlando**  
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STATEMENT OF NET POSITION AND  
GOVERNMENTAL FUNDS BALANCE SHEET

June 30, 2014

	General Fund	Special Revenue Fund	Total	Adjustments (Note 2)	Statement of Net Position
<b>ASSETS</b>					
Cash and cash equivalents	\$ 4,347,989	\$ -	\$ 4,347,989	\$ -	\$ 4,347,989
Due from other funds	339,214	-	339,214	(339,214)	-
Due from other governments	-	501,912	501,912	-	501,912
Prepaid items	33,830	-	33,830	-	33,830
Deposits	14,121	-	14,121	-	14,121
Capital assets, net	-	-	-	144,701	144,701
<b>Total Assets</b>	<u>\$ 4,735,154</u>	<u>\$ 501,912</u>	<u>\$ 5,237,066</u>	<u>(194,513)</u>	<u>5,042,553</u>
<b>LIABILITIES</b>					
Accounts payable	18,448	162,698	181,146	-	181,146
Due to other funds	-	339,214	339,214	(339,214)	-
Accrued liabilities	62,287	-	62,287	-	62,287
Accrued compensated absences	-	-	-	242,873	242,873
<b>Total Liabilities</b>	<u>80,735</u>	<u>501,912</u>	<u>582,647</u>	<u>(96,341)</u>	<u>486,306</u>
<b>FUND BALANCES/ NET POSITION</b>					
Fund balances:					
Nonspendable:					
Prepaid items	33,830	-	33,830	(33,830)	-
Deposits	14,121	-	14,121	(14,121)	-
Restricted	1,578	-	1,578	(1,578)	-
Unassigned	4,604,890	-	4,604,890	(4,604,890)	-
<b>Total Fund Balances</b>	<u>4,654,419</u>	<u>-</u>	<u>4,654,419</u>	<u>(4,654,419)</u>	<u>-</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 4,735,154</u>	<u>\$ 501,912</u>	<u>\$ 5,237,066</u>		
<b>Net position:</b>					
Net investment in capital assets				144,701	144,701
Restricted				1,578	1,578
Unrestricted				4,409,968	4,409,968
<b>Total Net Position</b>				<u>\$ -</u>	<u>\$ 4,556,247</u>

*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, 2014

	General Fund	Special Revenue Fund	Total	Adjustments (Note 2)	Statement of Activities
<b>REVENUES</b>					
Operating grants					
Federal	\$ -	\$ 2,246,003	\$ 2,246,003	\$ -	\$ 2,246,003
State	-	123,617	123,617	-	123,617
State matching	-	83,277	83,277	-	83,277
Charges for services	1,006,787	-	1,006,787	-	1,006,787
Interest	4,491	-	4,491	-	4,491
Miscellaneous revenues	41,245	-	41,245	-	41,245
Total Revenues	<u>1,052,523</u>	<u>2,452,897</u>	<u>3,505,420</u>	<u>-</u>	<u>3,505,420</u>
<b>EXPENDITURES / EXPENSES</b>					
Transportation:					
Current:					
Programs and operations	856,217	2,610,516	3,466,733	30,755	3,497,488
Depreciation	-	-	-	48,670	48,670
Capital outlay	13,222	-	13,222	(13,222)	-
Total Expenditures/Expenses	<u>869,439</u>	<u>2,610,516</u>	<u>3,479,955</u>	<u>66,203</u>	<u>3,546,158</u>
Excess (deficiency) of revenues over expenditures	183,084	(157,619)	25,465		
Transfers - internal activities	<u>(157,619)</u>	<u>157,619</u>	<u>-</u>		
Excess of revenues and transfers in (out) over expenditures	25,465	-	25,465	(25,465)	-
Change in net position				(40,738)	(40,738)
<b>FUND BALANCES / NET POSITION</b>					
Beginning of the year	<u>4,628,954</u>	<u>-</u>	<u>4,628,954</u>	<u>(31,969)</u>	<u>4,596,985</u>
End of the year	<u>\$ 4,654,419</u>	<u>\$ -</u>	<u>\$ 4,654,419</u>	<u>\$ (98,172)</u>	<u>\$ 4,556,247</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, 2014

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>GENERAL FUND</b>			
Revenues			
Charges for services	\$ 1,006,787	\$ 1,006,787	\$ 1,006,787
Interest	840	840	4,491
Miscellaneous revenues	298,455	361,571	41,245
Total Revenues	<u>1,306,082</u>	<u>1,369,198</u>	<u>1,052,523</u>
Expenditures			
Current:			
Transportation	1,110,925	1,117,525	856,217
Capital outlay	11,700	14,400	13,222
Total Expenditures	<u>1,122,625</u>	<u>1,131,925</u>	<u>869,439</u>
Excess of revenues over expenditures	183,457	237,273	183,084
Other Financing Sources / (Uses)			
Transfers in	-	-	10,209
Transfers out	(183,457)	(237,273)	(167,828)
Total Other Financing Sources / (Uses)	<u>(183,457)</u>	<u>(237,273)</u>	<u>(157,619)</u>
Net change in fund balance	-	-	25,465
Fund Balance at Beginning of Year	-	-	4,628,954
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,654,419</u>
<b>SPECIAL REVENUE FUNDS</b>			
Revenues			
Operating grants	\$ 2,798,724	\$ 3,390,239	\$ 2,452,897
Total Revenues	<u>2,798,724</u>	<u>3,390,239</u>	<u>2,452,897</u>
Expenditures			
Current:			
Transportation	2,982,181	3,627,512	2,610,516
Total Expenditures	<u>2,982,181</u>	<u>3,627,512</u>	<u>2,610,516</u>
Deficiency of revenues over expenditures	(183,457)	(237,273)	(157,619)
Other Financing Sources / (Uses)			
Transfers in	183,457	237,273	167,828
Transfers out	-	-	(10,209)
Total Other Financing Sources / (Uses)	<u>183,457</u>	<u>237,273</u>	<u>157,619</u>
Net change in fund balance	-	-	-
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	<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, 2014

**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 Urban Area 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); and Central Florida Regional Transportation Authority (LYNX) (1). Representatives of the Florida Department of Transportation, Kissimmee Gateway Airport, and the Chairpersons of the Transportation Technical Committee, the Citizens' Advisory Committee, the Bicycle and Pedestrian Advisory Committee and the Municipal 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 includes 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 transportation planning activities.

MetroPlan Orlando  
A Regional Transportation Partnership

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
June 30, 2014

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:

- Nonspendable 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 or 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.

MetroPlan Orlando  
A Regional Transportation Partnership

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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.

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, 2014.

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.

MetroPlan Orlando  
A Regional Transportation Partnership

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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.

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 \$98,172. Inter-fund payables and receivables were also eliminated.

Ending governmental fund balances	\$ 4,654,419
Capital assets, net	144,701
Accrued compensated absences	(242,873)
Total net position	<u><u>\$ 4,556,247</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 \$66,203.

MetroPlan Orlando  
A Regional Transportation Partnership

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
June 30, 2014

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS -  
Continued

Excess of revenues and transfers in over expenditures and transfers out	\$ 25,465
Less: Depreciation expense	(48,670)
Increase in compensated absences	(30,755)
Add: Capital outlay expenditures	13,222
Change in net position	\$ (40,738)

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

MetroPlan Orlando  
A Regional Transportation Partnership

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
June 30, 2014

NOTE 3 - DEPOSITS AND INVESTMENTS - Continued

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.

On November 29, 2007, the State Board of Administration implemented a temporary freeze on the assets held in SBA due to an unprecedented amount of withdrawals from the Fund coupled with the absence of market liquidity for certain securities within the Pool. The significant amount of withdrawals followed reports that the Pool held asset-backed commercial paper that was subject to subprime mortgage risk. On December 4, 2007, based on recommendations from an outside financial advisor, the SBA restructured the Pool into two separate pools: Local Government Investment Pool (LGIP) now called the Florida Prime, and Fund B. The LGIP, Florida Prime, consisted of all money market appropriate assets, which was approximately \$12 billion, or 86%, of Pool assets. Fund B consisted of assets that had either defaulted on a payment, paid more slowly than expected, and/or had any significant credit and liquidity risk, which was approximately \$2 billion or 14% of Pool assets. At the time of the restructuring, all current Pool participants had their existing balances proportionately allocated into LGIP (Florida Prime) and Fund B.

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, 2014, was 40 days. Currently, all of the Florida Prime balance for the Organization is eligible for withdrawal.

Fund B is accounted for as a fluctuating net asset value (NAV) pool and is reported at its NAV balance at June 30, 2014. Fund B does not meet the requirements of an SEC 2a-7-like pool. The Fair Value factor for June 30, 2014, was 1.84438408. Accordingly, the Organization is recognizing an unrealized gain on the books of \$1,615 for year ending June 30, 2014. Fund B is not rated by any nationally recognized statistical rating agency. The weighted average life (WAL) for Fund B at June 30, 2014, was 2.86 years. Fund B has not participated in a securities lending program in the fiscal year ending June 30, 2014. Currently, Fund B participants are prohibited from withdrawing any amount from the Pool and a formal withdrawal policy has not yet been developed. Market valuations of the assets held in Fund B are not readily available. In addition, full realization of the principal value of Fund B assets is not readily determinable.

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
 June 30, 2014

**NOTE 3 - DEPOSITS AND INVESTMENTS - Continued**

As of June 30, 2014, the Organization has the following balances invested:

	<u>Fair Value</u>
Bank Demand Deposits	\$ 2,516,524
Petty Cash	25
State Board of Administration:	
LGIP-A	\$ 1,822,554
LGIP-B NAV Balance	8,886
	<u>1,831,440</u>
Total Deposits and Investments	<u>\$ 4,347,989</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, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2014</u>
Office furniture, fixtures and equipment	\$ 396,178	\$ 13,222	\$ -	\$ 409,400
Less: Accumulated depreciation	<u>(216,029)</u>	<u>(48,671)</u>	<u>-</u>	<u>(264,700)</u>
Total Capital Assets, net	<u>\$ 180,150</u>	<u>\$ (35,449)</u>	<u>\$ -</u>	<u>\$ 144,701</u>

**NOTE 5 - LONG-TERM DEBT**

During the year ended June 30, 2014, the following changes occurred in long-term liabilities:

	<u>Balance</u>			<u>Balance</u>	<u>Due Within</u>
	<u>July 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2014</u>	<u>One Year</u>
Accrued compensated absences	<u>\$ 212,119</u>	<u>\$ 198,628</u>	<u>\$ (167,874)</u>	<u>\$ 242,873</u>	<u>\$ 31,557</u>

MetroPlan Orlando  
A Regional Transportation Partnership

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
June 30, 2014

NOTE 6 - LEASE OBLIGATIONS

The Organization leases office facilities and other equipment under noncancelable operating leases.

- A. On August 1, 1997, the Organization entered into a five-year lease agreement for office space. The lease was amended in Fiscal Years 2002, 2006 and 2011. The latest amendment extended the lease an additional five (5) years and four (4) months from September 1, 2010, through and including December 31, 2015. Monthly rates for the new lease period (September 2010 through December 2015) increase annually on September 1 as follows: \$15,460, \$15,845, \$16,245, \$16,652, \$17,067 and \$17,497 with one free month each of the first four years of the lease.
- B. The Organization entered into a new copier lease in July 2010, extending from August 2010 through July 2015. Under the terms of the lease, monthly rentals are \$1,233.
- C. In July 2013, a 48-month lease agreement was entered into for a new mailing system, which expires in June 2017. The quarterly lease payment is \$351.

The future minimum lease payments as of June 30, 2014 are as follows:

Year Ending June 30,	Building	Copiers	Mail Machine	Total
2015	203,972	14,796	1,404	220,172
2016	104,120	1,233	1,404	106,757
2017			1,404	1,404
	<u>\$ 308,092</u>	<u>\$ 16,029</u>	<u>\$ 4,212</u>	<u>\$ 328,333</u>

Building rent expense for the year ended June 30, 2014 was \$186,073.

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, 2014

**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, 2014, MetroPlan Orlando recognized employer contributions of \$126,026 in connection with the plan, \$5,212 of which was accrued at June 30, 2014, 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)	\$100,000 - Each person \$200,000 - Each occurrence \$500,000 - Combined single limit, per occurrence
Information Security & Privacy Liability	\$250,000 - Each claim
Fiduciary Liability	\$1,000,000 - Aggregate all claims
Auto Liability	\$100,000 - Each person \$200,000 - Each occurrence \$500,000 - Combined single limit, per occurrence
Property Damage (Includes personal property; inland marine; computer equipment and software)	\$346,231 - Personal property \$2,040 - Inland marine

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
 June 30, 2014

**NOTE 8 - RISK MANAGEMENT - Continued**

Coverage - Continued	Limitations - Continued
Executive Travel Accident	\$250,000 - Per occurrence
Worker Compensation - Statutory	\$1,000,000 - Each accident \$1,000,000 - Each disease \$1,000,000 - Aggregate by disease

There have been no significant reductions in insurance coverage during Fiscal Year 2014. There have been no insurance claims in the past three years.

**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.

# Compliance Section

Compliance and Internal Control Over Financial Reporting

Management Letter

Compliance with Requirements Applicable to Each Major Program

Expenditures of Federal Awards and State Financial Assistance

Findings and Questioned Costs







MOORE STEPHENS  
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

**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, 2014, 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 17, 2014.

**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.*

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

Orlando, Florida  
September 17, 2014



MOORE STEPHENS  
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Board of Directors of  
MetroPlan Orlando  
Orlando, Florida

We have audited the financial statements of MetroPlan Orlando (the "Organization") as of and for the fiscal year ended June 30, 2014, and have issued our report thereon dated September 17, 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 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 the 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 OMB Circular A-133, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated September 17, 2014, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.650, Rules of the Auditor General, which requires disclosure in the management letter of 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 addition, for matters that have an inconsequential effect on the financial statements, considering both quantitative and qualitative factors, the following may be reported based on our professional judgment: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, that have occurred, or are likely to have occurred, and (2) deficiencies in internal control that are not significant deficiencies. In connection with our audit, we did not have any such findings.

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.

*Moore Stephens Lovelace, P.A.*

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

Orlando, Florida  
September 17, 2014

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MOORE STEPHENS  
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

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") Circular A-133 *Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended June 30, 2014. 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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, 2014.

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 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 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Moore Stephens Lovelace, P.A.*

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

Certified Public Accountants

Orlando, Florida  
September 17, 2014

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
For the Year Ended June 30, 2014

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(49) - FY 2013	20.205	A5066	\$ 249,780
Unified Planning Work Program PL-0087(50) - FY 2014	20.205	A5066	1,112,776
Value Pricing Pilot Program FM#417961-1-14-99	20.205	A5066	<u>217,229</u>
Total CFDA 20.205			<u>1,579,785</u>
Federal Transit Administration:			
Passed through the State of Florida			
Department of Transportation:			
Unified Planning Work Program Section 5303 - 2010/2011 - X020	20.505	AOJ52	23,868
Unified Planning Work Program Section 5303 - 2011/2012 - X021	20.505	AQG29	149,605
Unified Planning Work Program Section 5303 - 2012/2013 - X022	20.505	AQG29	113,824
Unified Planning Work Program Section 5303 - 2013/2014 - X023	20.505	AQG29	<u>378,921</u>
Total CFDA 20.505			<u>666,218</u>
<b>Total Expenditures of Federal Awards:</b>			<u>\$ 2,246,003</u>
<b>State Financial Assistance Projects:</b>			
Florida Department of Transportation:			
Transportation Disadvantaged Commission:			
Planning Grant 2014	55.002	AR274	<u>97,117</u>
<b>Total Expenditures of State Financial Assistance:</b>			<u>\$ 97,117</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.

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2014

*Section I - Summary of Auditor's Results*

Financial Statement

Type of auditor's report issued	Unmodified		
Internal control over financial reporting:			
Material weakness(es) identified?	_____	Yes	_____ X _____
Significant deficiency(ies) identified?	_____	Yes	_____ X _____
Noncompliance material to financial statements noted?	_____	Yes	_____ X _____

Federal Awards

Internal control over major federal programs:			
Material weakness(es) identified?	_____	Yes	_____ X _____
Significant deficiency(ies) identified?	_____	Yes	_____ X _____
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 Section 510(a) of Circular A-133?	_____	Yes	_____ X _____

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20.505	Unified Planning Work Program

Dollar threshold used to distinguish between Type A and Type B programs

Federal	\$300,000
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Auditee qualified as low-risk auditee?	_____ X _____	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, 2014

Revenues:	
Charges for services	
Member assessments	\$ 1,006,787
Interest	4,491
Miscellaneous revenues	41,245
Total Revenues	<u>1,052,523</u>
Expenditures:	
Audit	9,000
Books, publications, subscriptions & memberships	11,596
Community relations & advertising	105,371
Computer operations	23,200
Consultants	65,399
Contractual services	5,197
Equipment & furniture	13,922
Equipment rent & repair	360
Fringe benefits	124,124
Indirect costs	69,446
Insurance	203
Legal	35,220
Office supplies	4,406
Operating supplies	32,373
Other miscellaneous	479
Postage	1,504
Printing & binding	3,786
Repair & maintenance	2,085
Salaries	320,037
Seminars/Training	8,977
Software	1,862
Travel & per diem	30,892
Total Expenditures	<u>869,439</u>
Excess of Revenues Over Expenditures	<u>183,084</u>
Other Financing Sources / (Uses):	
Transfers in	10,209
Transfers out	<u>(167,828)</u>
Total Other Financing Sources / (Uses)	<u>(157,619)</u>
Excess of Revenues Over Expenditures and Other Financing Sources / (Uses)	25,465
Fund Balance, beginning of year	<u>4,628,954</u>
Fund Balance, end of year	<u><u>\$ 4,654,419</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, 2014

	<u>State Department of Transportation</u>		
	<u>Transportation</u>	<u>Annual Bicycles</u>	<u>Market Research</u>
	<u>Disadvantaged</u>	<u>&amp; Pedestrians</u>	<u>on Values/Priorities</u>
	<u>Count Study</u>	<u>of Central Floridians</u>	
Revenues:			
Intergovernmental:			
Federal	\$ -	\$ -	\$ -
State	97,117	5,000	21,500
Total intergovernmental revenues:	<u>97,117</u>	<u>5,000</u>	<u>21,500</u>
Other grants:			
Total grant revenue:	<u>97,117</u>	<u>5,000</u>	<u>21,500</u>
Expenditures:			
Audit	-	-	-
Community relations & advertising	1,056	-	-
Consultants	-	-	21,500
Contractual Services	-	5,000	-
Fringe benefits	3,055	-	-
Printing & binding	-	-	-
Indirect costs	2,014	-	-
Office supplies	1,279	-	-
Pass-through expenses	68,031	-	-
Postage	1,198	-	-
Salaries	10,045	-	-
Seminars/Training	230	-	-
Total expenditures	<u>86,908</u>	<u>5,000</u>	<u>21,500</u>
Excess / (Deficiency) of Revenues Over Expenditures	<u>10,209</u>	<u>-</u>	<u>-</u>
Other Financing Sources / (Uses):			
Transfers in	-	-	-
Transfers out	(10,209)	-	-
Total Other Financing Sources / (Uses)	<u>(10,209)</u>	<u>-</u>	<u>-</u>
Excess / (Deficiency) of Revenues and Other Financing Sources / (Uses) Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Federal Transit Administration</u>				<u>Federal Highway Administration</u>			<u>Total Special Revenue Fund</u>
<u>FL-08-X020</u>	<u>FL-08-X021</u>	<u>FL-08-X022</u>	<u>FL-08-X023</u>	<u>PL - 0087(48)</u>	<u>PL - 0087(49)</u>	<u>Value Pricing Pilot Program FM#417961-1-14-99</u>	
\$ 23,868	\$ 149,605	\$ 113,824	\$ 378,921	\$ 249,780	\$ 1,112,776	\$ 217,229	\$ 2,246,003
2,983	18,701	14,228	47,365	-	-	-	206,894
26,851	168,306	128,052	426,286	249,780	1,112,776	217,229	2,452,897
<u>26,851</u>	<u>168,306</u>	<u>128,052</u>	<u>426,286</u>	<u>249,780</u>	<u>1,112,776</u>	<u>217,229</u>	<u>2,452,897</u>
-	-	4,000	-	-	11,500	-	15,500
-	1,254	-	237	-	8,924	-	11,471
28,515	33,796	56,515	58,968	249,780	219,122	282,770	950,966
-	-	-	-	-	9,500	-	14,500
271	28,063	9,846	68,680	-	177,673	3,842	291,430
-	-	-	2,544	-	2,200	-	4,744
168	19,343	6,492	45,315	-	111,862	2,534	187,728
-	-	-	3,157	-	7,872	-	12,308
-	11,327	33,050	68,610	-	-	-	181,018
-	-	-	75	-	1,926	-	3,199
880	93,224	32,377	226,065	-	557,915	12,634	933,140
-	-	-	-	-	4,282	-	4,512
<u>29,834</u>	<u>187,007</u>	<u>142,280</u>	<u>473,651</u>	<u>249,780</u>	<u>1,112,776</u>	<u>301,780</u>	<u>2,610,516</u>
<u>(2,983)</u>	<u>(18,701)</u>	<u>(14,228)</u>	<u>(47,365)</u>	<u>-</u>	<u>-</u>	<u>(84,551)</u>	<u>(157,619)</u>
2,983	18,701	14,228	47,365	-	-	84,551	167,828
-	-	-	-	-	-	-	(10,209)
<u>2,983</u>	<u>18,701</u>	<u>14,228</u>	<u>47,365</u>	<u>-</u>	<u>-</u>	<u>84,551</u>	<u>157,619</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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