



metroplan orlando

A REGIONAL TRANSPORTATION PARTNERSHIP

**ANNUAL**

**FINANCIAL**

**REPORT**

*Year Ended June 30, 2012*





metroplan orlando

*A REGIONAL TRANSPORTATION PARTNERSHIP*

# Annual Financial Report

OF

## MetroPlan Orlando

YEAR ENDED JUNE 30, 2012

PREPARED BY DEPARTMENT OF FINANCE & ADMINISTRATION

JASON S. LOSCHIAVO, CPA  
DIRECTOR OF FINANCE & ADMINISTRATION



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**BOARD MEMBERS**  
As of June 30, 2012

*Commissioner Brandon Arrington, Chairman*  
*Central Florida Regional Transportation Authority*

*Commissioner Daisy W. Lynum, Vice Chairman*  
*City of Orlando*

*Commissioner Bob Dallari, Secretary-Treasurer*  
*Seminole County*

*Mayor Patricia Bates*  
*City of Altamonte Springs*

*Mr. Scott Batterson*  
*Orlando-Orange County Expressway Authority*

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

*Commissioner Scott Boyd*  
*Orange County*

*Commissioner Fred Brummer*  
*Orange County*

*Ms. Jamie Coker\**  
*Transportation Technical Committee*

*Mr. Joseph "Jose" Colon*  
*Greater Orlando Aviation Authority*

*Mr. Larry Dale*  
*Sanford Airport Authority*

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

*Mayor Buddy Dyer*  
*City of Orlando*

*Commissioner Joe Durso\**  
*Municipal Advisory Committee*

*Commissioner Ted Edwards*  
*Orange County*

*Dr. Richard Foglesong\**  
*Citizens' Advisory Committee*

*Commissioner Carlton Henley*  
*Seminole County*

*Mayor Teresa Jacobs*  
*Orange County*

*Mayor John H. Land*  
*City of Apopka*

*Commissioner John Quiñones*  
*Osceola County*

*Commissioner Tiffany Russell*  
*Orange County*

*Mr. Dan Stephens\**  
*Bicycle and Pedestrian Advisory Committee*

*Mayor Jim Swan*  
*City of Kissimmee*

*Commissioner Jennifer Thompson*  
*Orange County*

*Mayor Jeff Triplett*  
*City of Sanford*

*\*Non-voting advisors*

## LOCAL FUNDING PARTNERS

July 1, 2011 to June 30, 2012

*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*

*Orlando-Orange County Expressway Authority*

*Sanford Airport Authority*

## MANAGEMENT TEAM

As of June 30, 2012

*Harold W. Barley*  
*Executive Director*

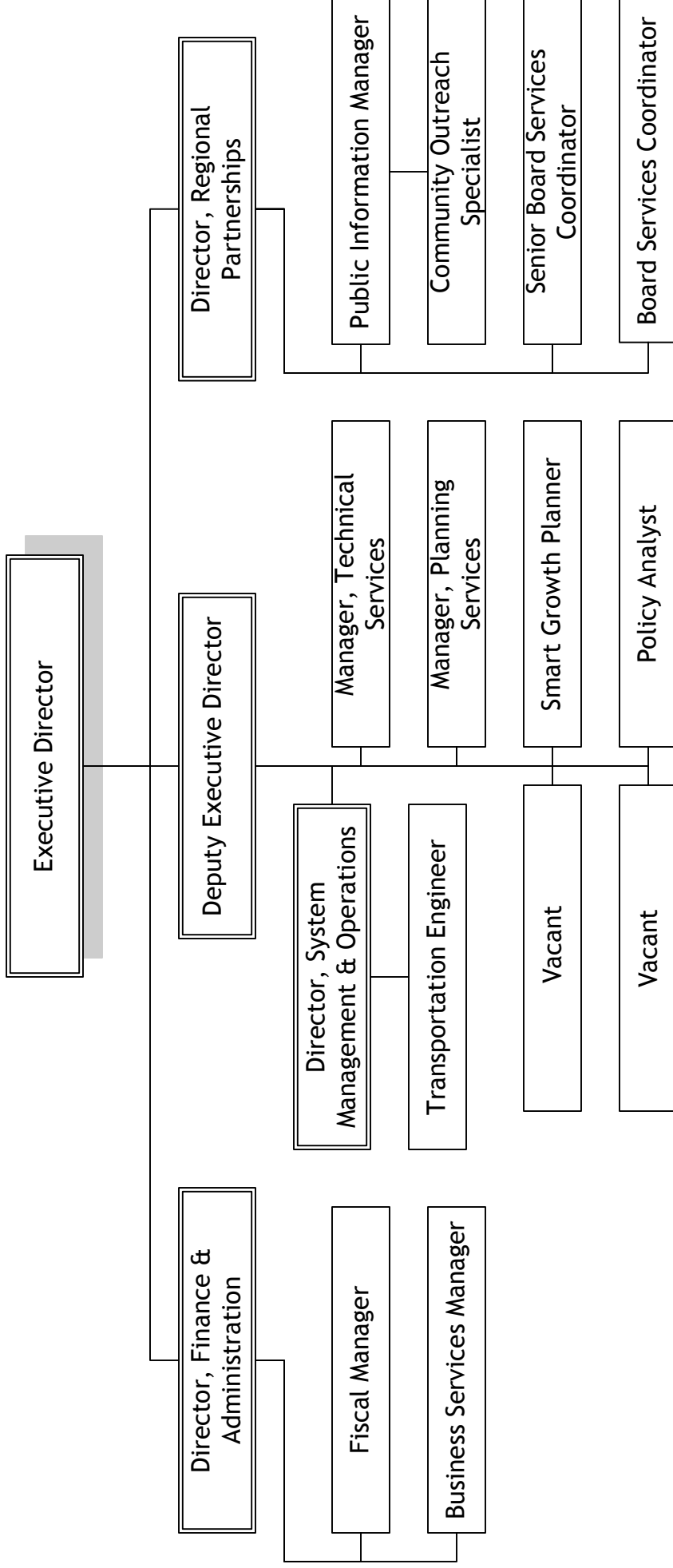
*Gary D. Huttman*  
*Deputy Executive Director*

*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 2011-2012



# Financial Section

Independent Auditor's Report  
Management's Discussion and Analysis  
Basic Financial Statements  
Notes to the Financial Statements







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

CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
MetroPlan Orlando  
Orlando, Florida

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, 2012, which collectively comprise the Organization's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Organization as of June 30, 2012, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2012 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* and should be considered in assessing the results of our audit.

To the Board of Directors of  
MetroPlan Orlando

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.

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.

*Moore Stephens Lovelace, P.A.*

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

Orlando, Florida  
September 24, 2012



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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2012

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, 2012. 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 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.

The Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances presents information showing 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 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. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. All of the Organization's special revenue programs are shown combined, as all are Federal and State reimbursable operating grants.

#### Financial Analysis

Net position may serve over time as a useful indicator of the Organization's financial position. At the close of the current fiscal year, assets exceeded liabilities by \$4,474,024, up \$279,085 from last year due to revenues being greater than expenditures. This increase is reflected in

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2012

NET POSITION	<u>FY2012</u>	<u>FY2011</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Current and other assets	\$ 4,819,937	\$ 4,370,609	\$ 449,328	10.3%
Capital assets	225,916	270,833	(44,917)	(16.6%)
Total Assets	<u>\$ 5,045,853</u>	<u>\$ 4,641,442</u>	404,411	8.7%
Accounts payable	322,302	212,598	109,704	51.6%
Accrued liabilities	52,066	50,646	1,420	2.8%
Accrued compensated absences	197,461	183,259	14,202	7.7%
Total Liabilities	<u>571,829</u>	<u>446,503</u>	125,326	28.1%
Net position:				
Net investment in capital assets	225,916	270,833	(44,917)	(16.6%)
Restricted	4,894	0	4,894	-
Unrestricted	<u>4,243,214</u>	<u>3,924,106</u>	319,108	8.1%
Total net position	<u><u>4,474,024</u></u>	<u><u>4,194,939</u></u>	279,085	6.7%
CHANGES IN NET POSITION	<u>FY2012</u>	<u>FY2011</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Revenues				
Operating grants				
Federal	2,378,306	1,900,204	478,102	25.2%
State	120,279	87,610	32,669	37.3%
State matching	58,519	74,611	(16,092)	(21.6%)
Total operating grants	<u>2,557,104</u>	<u>2,062,425</u>	494,679	24.0%
Charges for services	1,006,787	1,006,787	0	0.0%
Interest	7,642	18,058	(10,416)	(57.7%)
Miscellaneous revenues	74,064	46,589	27,475	59.0%
Total revenues	<u>3,645,597</u>	<u>3,133,859</u>	511,738	16.3%
Expenses:				
Programs and operations	3,318,886	2,834,856	484,030	17.1%
Depreciation	47,626	46,704	922	2.0%
Total expenses	<u>3,366,512</u>	<u>2,881,560</u>	484,952	16.8%
Change in Net position	279,085	252,299	26,786	10.6%
Net Position				
Beginning of the year	<u>4,194,939</u>	<u>3,942,640</u>	252,299	6.4%
End of the year	<u><u>4,474,024</u></u>	<u><u>4,194,939</u></u>	279,085	6.7%

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2012

the increase in cash and cash equivalents (\$151,400), increase in receivables and Due from Other Funds (\$148,472), decrease in prepaid items (\$734), and a decrease in net capital assets (\$44,917). The increase in cash is due to an increase in payables and accrued liabilities of \$111,124; a \$734 decrease in prepaid items; an increase in Due from Other Funds for grants and other receivables (\$148,472) as fewer reimbursable grants were received by June 30. Investment in capital assets represents 5.0% of Net Position and is not available for future spending. This is a small decrease from prior year due to depreciation (\$47,626) and a small amount of purchases of capital assets (\$2,709). Restricted Net Position (\$4,894) consists entirely of a contribution from the Freedom of Mobility Foundation, Inc. and its use is restricted for paratransit riders to travel and participate in transportation disadvantaged-related meetings, events, or conferences. The balance represents Unrestricted Net Position (\$4,243,214) and is available to meet the Organization's obligations to its partners and citizens.

The Organization's Net Position increased \$279,085, or 6.7% of last year's ending Net Position, as a result of this year's operations. Net position invested in capital assets (furniture, equipment and software) decreased \$44,917 mainly due to depreciation. Unrestricted Net Position increased \$319,108 or 8.1%.

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 experienced an increase of 7.1% (\$299,138), comprised of a \$151,400 increase in cash and cash equivalents, an increase in Due from Other Funds and receivables of \$148,472 and a decrease of prepaid items of \$734. Prepaid items consist of prepaid rent 59.3% (\$16,050), insurance premiums 16.0% (\$4,332), prepaid postage 4.9% (\$1339) and the balance representing prepaid memberships, dues and registrations. Deposits are all rent deposits. Due from Other Funds (\$412,030) represents reimbursable grants and is up 56.3% (\$148,472). There were more large contracts open at June 30, 2012 compared to 2011, and May and June grant billings were outstanding for most grants, whereas, the prior fiscal year had only June billings outstanding. Due from Other Governments in the Special Revenue Fund was up \$298,662, 71.2%, for the same reason.

Accounts Payable in the General Fund was down \$40,486, or 71.5%, made up mostly of two small contract payments and employee insurances due. Accrued liabilities were up \$1,420 or 2.8%, all related to payroll which included salaries, taxes and pension from ten days of payroll. Accounts Payable in the Special Revenue Fund was up \$150,190 or 96.3%. Ninety-four percent (\$303,659) of all accounts payable balances were comprised 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. Reserves have helped weather the decrease in local revenues over the past five years. At the end of the current fiscal year, Unassigned

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2012

Fund Balance of the General Fund was \$4,399,498, while total Fund Balance reached \$4,445,569, the difference being a non-spendable amount for prepaid items of \$27,056, rent deposits of \$14,121, and a restricted amount of \$4,894 which consists entirely of a contribution from the Freedom of Mobility Foundation, Inc. and its use is restricted for paratransit riders to travel and participate in transportation disadvantaged-related meetings, events, or conferences. As a measure of the General Fund liquidity, it may be useful to compare both Unassigned Fund Balance and total Fund Balance to total fund expenditures. Since all grants required advance funding from the General Fund for reimbursement, we have used total Governmental Fund expenditures (\$3,307,393) for the comparison. Total Governmental Fund expenditures and other financing uses represent 75.2% of Unassigned Fund Balance. It is important to note that the Special Revenue Funds, which require advance funding, represent 79.1% of total Organization expenditures. Local assessments are not billable until the beginning of the second quarter of the fiscal year, requiring use of unassigned cash for all costs in the first quarter. Thus, an Unassigned Fund Balance of at least one-third of the year's expected expenditures, approximately \$1,102,464, appears warranted as a minimum for cash flow when administering large contracts. However, due to the nature of the business model of the Organization, the dependency on grant awards to perform its required charges of long term transportation planning, and the uncertain economic times, the Organization strives for higher reserve balances. This allows the Organization to accumulate funds for contracts such as the 2040 Long Range Transportation Plan (LRTP) and the accompanying Freight Study which were awarded in FY 2012 and will have large expenditures through FY 2014. Long range plans are anticipated to be a more challenging effort in the future as the region moves closer to nonattainment for air quality. Accordingly, the Organization has had mitigation studies under way for some time. Additional studies are anticipated for freight, rail, bus rapid transit and other transit needs as the region moves forward with SunRail. In addition to building reserves to meet these 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. 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 from the Orange County Convention Center to Orlando International Airport and the Lake Nona/Medical City area; and is partnering with the East Central Florida Regional Planning Council to assist with projects related to their newly acquired Regional Sustainable Community Planning Grant from the U.S. Department of Housing and Urban Development as it relates to SunRail. While these funds will come to the region, not directly to the Organization, they are important in continuing the planning process, especially considering years of reduced local funds due to the economic climate and possible reductions in Federal Highway Administration planning funds (PL) which represents the largest portion of funding to MetroPlan Orlando.

Revenues in the General Fund were up \$17,059, or 1.6%, compared to the prior year. Local assessments for funding partners are based on a rate of \$0.75 per capita, which has not

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2012

increased since 1998. The operating agencies assessment amount is set by the Board. In FY 2008, local assessments were amended in total to roll back to the FY 2007 level, less an additional 10% for all municipalities and counties, with the Central Florida Regional Transportation Authority (LYNX) at the same rate as the smallest municipality, and the three other operating agencies were set at \$31,000 each. In FY 2009 thru FY 2011 assessments were reduced again by 4.68%, 10% and 7% in respective years. Assessments for FY 2012 did not change from FY 2011 levels and will remain the same for FY 2013. This was in response to sharing with our funding partners the financial hardships experienced from a down economy and Amendment 1 passage in the state. In the region, based on a per capita charge of \$0.75 and agency contributions equal to the smallest municipality, \$1,476,604 would have been generated in local assessments for FY 2012. The Organization is indeed doing more with less. Interest income received of \$7,642 was down \$10,416. However, this represents an unrealized gain in FY 2011 of \$10,604 on Fund B at the State Board of Administration compared to an unrealized gain in FY 2012 of only \$3,821. If these anomalies are factored out, interest earnings for the year are actually down \$3,633. This was due to difficulties experienced at the State Board of Administration back in FY 2008, as discussed in Note 3 under Notes to the Financial Statements on page 15. Miscellaneous Income increased \$27,475, mainly due to a contribution from Orange County (\$15,000) for Health Savings Accounts for employees eligible to have such accounts related to our participation in medical insurance coverage as part of the Orange County Self Insured Pool and receipt of a contribution from Freedom of Mobility Foundation, Inc. for paratransit riders to travel and participate in transportation disadvantaged-related meetings, events, or conferences.

Expenditures and transfers out were \$750,289 in the General Fund, which represents a decrease of \$297,011 or 28.4% over last year. This change within the General Fund represents decreases of \$231,964 in capital purchases related to a lease renewal and refurbishing of the office in FY 2011; a decrease of \$74,480 in salary which represents payout of terminated leave of \$38,394 in FY 2011 and unfilled staff positions for parts of FY 2012 due to turnover; increase in legal fees of \$18,721 relating to Board structure and a request by the West Orange Airport Authority to rejoin MetroPlan Orlando's Board; decrease in software purchases of \$35,810 for upgrades in FY 2011; decrease in consultant expenditures of \$19,363; increase in community relations and advertising of \$30,175 due to a contribution to Bike/Walk Central Florida (\$41,750) for education efforts and a contribution in FY 2011 to the Florida Bicycle Association (\$12,800) for Cycling Savvy efforts; increase in contractual services (\$4,332) related to paratransit planning assistance related to Sunrail stations. More of the audit contract, \$6,968, was charged to the General Fund instead of grants in FY2012.

Even though General Fund revenues were up only \$17,059, expenditures and transfers out were down \$297,011 compared to the prior fiscal year. This resulted in total General Fund revenues in FY 2012 being greater than expenditures and transfers out by \$338,204. The Organization strives to preserve as much of its local revenues as possible to bank for funding if needed for the 2040 LRTP contract and, thus, uses grant revenue wherever possible to cover expenditures.

MetroPlan Orlando  
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MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2012

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

The overall financial position and results of operations for the Organization remained stable for the fiscal year ended June 30, 2012. The Organization stayed within budget. Unrestricted Net Position increased \$319,108, while total Net Position increased \$279,085 due to a decrease in investment in capital assets of \$44,917 and an increase in Restricted Net Position of \$4,894 for a net 6.7% increase in Net Position. The use of available Net Position again avoided the necessity to raise the local assessment per capita for the 2012 fiscal year and, indeed, has facilitated the ability to decrease our local funding partner assessment since FY 2007. With the statewide economic climate, the Organization anticipates funding from local assessment revenues may remain flat for the 2013 fiscal year. The Organization does not anticipate any detriment to current projects underway, including the 2040 Long Range Transportation Plan technical consultant contract which was bid early in fiscal year 2012. The Organization continues to seek other grant and partnership funding opportunities and partners with others in the region when possible to seek available grants. Our challenge for the next year will depend a great deal on the possible changes to the Federal air quality standards and the related impact on the 2040 LRTP accordingly. Another sizeable contract that was started in FY 2012 was a new regional freight study to accompany the 2040 LRTP, encompassing not only our tri-county area, but our neighbors to the east and west. Our regional approach continues to expand through cooperation with our neighboring counties, such as through the Central Florida MPO Alliance, to coordinate transportation planning to meet needs of the future.

### 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.

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

June 30, 2012

	General Fund	Special Revenue Fund	Total	Adjustments (Note 2)	Statement of Net Assets
<b>ASSETS</b>					
Cash and cash equivalents	\$ 4,060,541	\$ -	\$ 4,060,541	\$ -	\$ 4,060,541
Due from other funds	412,030	-	412,030	(412,030)	-
Due from other governments	-	718,219	718,219	-	718,219
Prepaid items	27,056	-	27,056	-	27,056
Deposits	14,121	-	14,121	-	14,121
Capital assets, net	-	-	-	225,916	225,916
<b>Total Assets</b>	<u>\$ 4,513,748</u>	<u>\$ 718,219</u>	<u>\$ 5,231,967</u>	<u>(186,114)</u>	<u>5,045,853</u>
<b>LIABILITIES</b>					
Accounts payable	16,113	306,189	322,302	-	322,302
Due to other funds	-	412,030	412,030	(412,030)	-
Accrued liabilities	52,066	-	52,066	-	52,066
Accrued compensated absences	-	-	-	197,461	197,461
<b>Total Liabilities</b>	<u>68,179</u>	<u>718,219</u>	<u>786,398</u>	<u>(214,569)</u>	<u>571,829</u>
<b>FUND BALANCES/ NET POSITION</b>					
Fund balances:					
Nonspendable:					
Prepaid items	27,056	-	27,056	(27,056)	-
Deposits	14,121	-	14,121	(14,121)	-
Restricted	4,894	-	4,894	(4,894)	-
Unassigned	4,399,498	-	4,399,498	(4,399,498)	-
<b>Total Fund Balances</b>	<u>4,445,569</u>	<u>-</u>	<u>4,445,569</u>	<u>(4,445,569)</u>	<u>-</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 4,513,748</u>	<u>\$ 718,219</u>	<u>\$ 5,231,967</u>		
<b>Net position:</b>					
Net investment in capital assets				225,916	225,916
Restricted				4,894	4,894
Unrestricted				4,243,214	4,243,214
<b>Total Net Position</b>				<u>\$ -</u>	<u>\$ 4,474,024</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, 2012

	General Fund	Special Revenue Fund	Total	Adjustments (Note 2)	Statement of Activities
<b>REVENUES</b>					
Operating grants					
Federal	\$ -	\$ 2,378,306	\$ 2,378,306	\$ -	\$ 2,378,306
State	-	120,279	120,279	-	120,279
State matching	-	58,519	58,519	-	58,519
Charges for services	1,006,787	-	1,006,787	-	1,006,787
Interest	7,642	-	7,642	-	7,642
Miscellaneous revenues	74,064	-	74,064	-	74,064
Total Revenues	<u>1,088,493</u>	<u>2,557,104</u>	<u>3,645,597</u>	<u>-</u>	<u>3,645,597</u>
<b>EXPENDITURES / EXPENSES</b>					
Transportation:					
Current:					
Programs and operations	689,061	2,615,623	3,304,684	14,202	3,318,886
Depreciation	-	-	-	47,626	47,626
Capital outlay	2,709	-	2,709	(2,709)	-
Total Expenditures/Expenses	<u>691,770</u>	<u>2,615,623</u>	<u>3,307,393</u>	<u>59,119</u>	<u>3,366,512</u>
Excess (deficiency) of revenues over expenditures	396,723	(58,519)	338,204		
Transfers - internal activities	<u>(58,519)</u>	<u>58,519</u>	<u>-</u>		
Excess of revenues and transfers in (out) over expenditures	338,204	-	338,204	(338,204)	-
Change in net position				279,085	279,085
<b>FUND BALANCES / NET POSITION</b>					
Beginning of the year	<u>4,107,365</u>	<u>-</u>	<u>4,107,365</u>	<u>87,574</u>	<u>4,194,939</u>
End of the year	<u>\$ 4,445,569</u>	<u>\$ -</u>	<u>\$ 4,445,569</u>	<u>\$ 28,455</u>	<u>\$ 4,474,024</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, 2012

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>GENERAL FUND</b>			
Revenues			
Charges for services	\$ 1,006,787	\$ 1,006,787	\$ 1,006,787
Interest	12,000	12,000	7,642
Miscellaneous revenues	41,250	61,250	74,064
Total Revenues	<u>1,060,037</u>	<u>1,080,037</u>	<u>1,088,493</u>
Expenditures			
Current:			
Transportation	976,452	963,879	689,061
Capital outlay	9,857	9,857	2,709
Total Expenditures	<u>986,309</u>	<u>973,736</u>	<u>691,770</u>
Excess of revenues over expenditures	73,728	106,301	396,723
Other Financing Sources / Uses			
Operating transfers out	(73,728)	(106,301)	(58,519)
Net change in fund balance	-	-	338,204
Fund Balance at Beginning of Year	-	-	4,107,365
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,445,569</u>
<b>SPECIAL REVENUE FUND</b>			
Revenues			
Operating grants	\$ 2,997,983	\$ 3,083,710	\$ 2,557,104
Total Revenues	<u>2,997,983</u>	<u>3,083,710</u>	<u>2,557,104</u>
Expenditures			
Current:			
Transportation	3,071,711	3,190,011	2,615,623
Total Expenditures	<u>3,071,711</u>	<u>3,190,011</u>	<u>2,615,623</u>
Deficiency of revenues over expenditures	(73,728)	(106,301)	(58,519)
Other Financing Sources / Uses			
Operating transfers in	73,728	106,301	58,519
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 - CONTINUED

June 30, 2012

**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. Members are 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 geographic factors. 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); Orlando-Orange County 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, be 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, 2012

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 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and long-term lease agreements are recorded only when payment is due. Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

D. Fund Balances and Spending Order

In accordance with GASB Statement No. 54, the Organization classified 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, 2012

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 Account.

G. Prepays

Prepays represent payments made to vendors for services that will benefit beyond June 30, 2012.

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 are recorded in the General Fixed Assets Account Group at fair market value at the time received. Depreciation has been provided on fixed 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 fiscal 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, 2012

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

All 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. 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 assets of \$28,455. Inter-fund payables and receivables were also eliminated.

Ending governmental fund balances	\$ 4,445,569
Capital assets, net	225,916
Accrued compensated absences	(197,461)
Total net assets	\$ 4,474,024

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 assets” of \$279,085.

MetroPlan Orlando  
A Regional Transportation Partnership

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
June 30, 2012

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

Excess of revenues and transfers in over expenditures and transfers out	\$ 338,204
Less: Depreciation expense	(47,626)
Decrease in compensated absences	(14,202)
Add: Capital outlay expenditures	2,709
Change in net assets	\$ 279,085

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

MetroPlan Orlando  
A Regional Transportation Partnership

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

June 30, 2012

NOTE 3 - DEPOSITS AND INVESTMENTS - Continued

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, 2012, was 38 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, 2012. Fund B does not meet the requirements of an SEC 2a-7-like pool. The Fair Value factor for June 30, 2012, was .83481105. Accordingly, the Organization is recognizing an Unrealized Gain on the books of \$3,821 for Year Ending June 30, 2012. Fund B is not rated by any nationally recognized statistical rating agency. The weighted average life (WAL) for Fund B at June 30, 2012, was 5.73 years. Fund B has not participated in a securities lending program in the fiscal year ending June 30, 2012. 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, 2012

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

As of June 30, 2012, the Organization has the following balances invested:

	<u>Fair Value</u>
Bank Demand Deposits	\$ 3,744,620
Petty Cash	25
State Board of Administration:	
LGIP-A	\$ 279,565
LGIP-B NAV Balance	36,331      315,896
Total Deposits and Investments	<u>\$ 4,060,541</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>June 30, 2011</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2012</u>
Office furniture, fixtures and equipment	\$ 436,493	\$ 2,709	\$ -	\$ 439,202
Less: Accumulated depreciation	<u>(165,660)</u>	<u>(47,626)</u>	<u>-</u>	<u>(213,286)</u>
Total Capital Assets, net	<u>\$ 270,833</u>	<u>\$ (44,917)</u>	<u>\$ -</u>	<u>\$ 225,916</u>

**NOTE 5 - LONG-TERM DEBT**

During the year ended June 30, 2012, the following changes occurred in long-term liabilities:

	<u>Balance</u>			<u>Balance</u>	<u>Due Within</u>
	<u>July 1, 2011</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2012</u>	<u>One Year</u>
Accrued compensated absences	<u>\$ 183,259</u>	<u>\$ 190,886</u>	<u>\$ (176,684)</u>	<u>\$ 197,461</u>	<u>\$ 23,696</u>

**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

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
June 30, 2012

**NOTE 6 - LEASE OBLIGATIONS - Continued**

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 2016. Under the terms of the lease, monthly rentals are \$1,233.
- C. In March 2010, a 48-month lease agreement was entered into for a new mailing system, which expires in April 2014. The quarterly lease payment is \$396.

The future minimum lease payments as of June 30, 2012 are as follows:

Year Ending June 30,	Building	Copiers	Mail Machine	Total
2013	177,893	14,796	1,584	194,273
2014	182,358	14,796	1,188	198,342
2015	203,972	14,796		218,768
2016	104,120	1,233		105,353
	<u>\$ 668,343</u>	<u>\$ 45,621</u>	<u>\$ 2,772</u>	<u>\$ 716,736</u>

Building rent expense for the year ended June 30, 2012 was \$176,104.

**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.

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, 2012, MetroPlan Orlando recognized employer contributions of

MetroPlan Orlando  
A Regional Transportation Partnership

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
June 30, 2012

NOTE 7 - EMPLOYEE BENEFIT PLAN - Continued

\$121,475 in connection with the plan, \$4,289 of which was accrued at June 30, 2012 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
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)	\$328,224 - Personal property \$2,040 - Inland marine
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

MetroPlan Orlando  
A Regional Transportation Partnership

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
June 30, 2012

NOTE 8 - RISK MANAGEMENT - Continued

There have been no significant reductions in insurance coverage during Fiscal Year 2012. 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

Summary of Prior Audit Findings







**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 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, 2012, which collectively comprise the Organization's basic financial statements and have issued our report thereon dated September 24, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

***Internal Control Over Financial Reporting***

Management of the Organization is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

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

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.

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

This report is intended solely for the information and use of management, the Board of Directors, the State of Florida Auditor General, others within the Organization, and federal and state awarding agencies and pass-through entities 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 24, 2012





**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, 2012, and have issued our report thereon dated September 24, 2012.

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 with Requirements that could have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in accordance with OMB Circular A-133, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated September 24, 2012, 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.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information of management, the Board of Directors, and the State of Florida Auditor General 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 24, 2012

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MOORE STEPHENS  
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Directors of  
MetroPlan Orlando  
Orlando, Florida

***Compliance***

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, 2012. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Organization’s management. Our responsibility is to express an opinion on the Organization’s compliance based on our audit.

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

In our opinion, the Organization complied, in all material respects, with the requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2012.

To the Board of Directors of  
MetroPlan Orlando

***Internal Control Over Compliance***

The management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Organization's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, 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.

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

This report is intended solely for the information and use of management, the Board of Directors, others within the Organization, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

*Moore Stephens Lovelace, P.A.*

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

Orlando, Florida  
September 24, 2012

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
For the Year Ended June 30, 2012

Federal or State Agency/ State Pass-Through Grantor/ Program Title	Catalog of Federal/State Domestic Assistance Number	Grant Identification Number	Total Program Expenditures
Federal Awards:			
Federal Highway Administration:			
Passed through the State of Florida			
Department of Transportation:			
Unified Planning Work Program			
PL-0087(48) - FY 2012	20.205	A5066	\$ 1,910,145
Federal Transit Administration:			
Passed through the State of Florida			
Department of Transportation:			
Unified Planning Work Program			
Section 5303 - 2009/2010 - X019	20.505	AOJ52	54,194
Unified Planning Work Program			
Section 5303 - 2010/2011 - X020	20.505	AOJ52	63,603
Unified Planning Work Program			
Section 5303 - 2011/2012 - X021	20.505	AQG29	350,363
Total CFDA 20.505			468,160
Total Expenditures of Federal Awards:			<u>\$ 2,378,305</u>
State Financial Assistance Projects:			
Florida Department of Transportation:			
Transportation Disadvantaged Commission:			
Planning Grant 2012	55.002	AQB44	\$ 87,742
Total Expenditures of State Financial Assistance:			<u>\$ 87,742</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, 2012

*Section I - Summary of Auditor's Results*

Financial Statement

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

Federal Awards

Internal control over major federal programs:			
Material weakness(es) identified?	_____	Yes	_____ X _____ No
Significant deficiency(ies) identified?	_____	Yes	_____ X _____ None reported
Type of auditor's report issued on compliance for major federal programs:	Unqualified		
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	_____	Yes	_____ X _____ No

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction

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.

MetroPlan Orlando  
A Regional Transportation Partnership

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
For the Year Ended June 30, 2012

PRIOR YEAR AUDIT FINDINGS

No matters were reported over federal financial assistance programs.

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# Other Supplementary Information





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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

GENERAL FUND

For the Year Ended June 30, 2012

Revenues:

Charges for services	
Member assessments	\$ 1,006,787
Interest	7,642
Miscellaneous revenues	74,064
Total Revenues	1,088,493

Expenditures:

Audit	23,150
Books, publications, subscriptions & memberships	20,195
Community relations & advertising	67,576
Computer operations	9,600
Consultants	65,747
Contractual services	6,504
Equipment & furniture	6,159
Equipment rent & repair	360
Fringe benefits	105,342
Indirect costs	43,617
Insurance	1,064
Legal	41,903
Office supplies	2,919
Operating supplies	30,086
Other miscellaneous	5,138
Postage	2,641
Printing & binding	4,475
Repair & maintenance	1,833
Salaries	220,507
Seminars/Training	9,568
Software	1,468
Travel & per diem	21,918
Total Expenditures	691,770

Excess of Revenues Over Expenditures	396,723
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Other Financing Uses:

Operating transfers out	(58,519)
Total Other Financing Uses	(58,519)

Excess of Revenues Over Expenditures and Other Financing Uses	338,204
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Fund Balance, beginning of year	4,107,365
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Fund Balance, end of year	\$ 4,445,569
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**MetroPlan Orlando**  
**A Regional Transportation Partnership**

SCHEDULE OF PROJECT REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2012

State Department of Transportation

	Transportation Disadvantaged	Freight Study FM#431195-1-14-01
Revenues:		
Intergovernmental:		
Federal	\$ -	\$ -
State	87,742	32,537
Total grant revenue:	87,742	32,537
Expenditures:		
Community Relations & Advertising	870	-
Consultants	-	32,537
Fringe Benefits	4,289	-
Graphics/Printing & Binding	-	-
Indirect Costs	2,692	-
Office Supplies	39	-
Pass-Through Expenses	65,683	-
Postage	143	-
Salaries	13,336	-
Seminar & Conf. Registration	690	-
Total expenditures	87,742	32,537
Deficiency of Revenues Over Expenditures	-	-
Other Financing Sources :		
Operating transfers in	-	-
Total Other Financing Sources	-	-
Excess of Revenues and Other Financing Sources Over Expenditures	-	-
Fund Balance at beginning of year	-	-
Fund Balance at end of year	\$ -	\$ -

<u>Federal Transit Administration</u>			<u>Federal Highway Administration</u>	
<u>FL-08-X019</u>	<u>FL-08-X020</u>	<u>FL-08-X021</u>	<u>PL - 0087(48)</u>	<u>Totals</u>
\$ 54,194	\$ 63,603	\$ 350,363	\$ 1,910,145	\$ 2,378,305
6,774	7,950	43,795	-	178,798
<u>60,968</u>	<u>71,553</u>	<u>394,158</u>	<u>1,910,145</u>	<u>2,557,103</u>
-	1,986	4,364	8,975	16,195
-	-	-	748,655	781,192
-	1,842	69,974	238,847	314,952
-	130	8,345	8,600	17,075
-	1,133	43,498	148,256	195,579
-	325	1,346	10,107	11,817
67,742	68,250	91,335	-	293,010
-	-	665	2,263	3,071
-	5,837	218,426	744,442	982,041
-	-	-	-	690
<u>67,742</u>	<u>79,503</u>	<u>437,953</u>	<u>1,910,145</u>	<u>2,615,622</u>
(6,774)	(7,950)	(43,795)	-	(58,519)
<u>6,774</u>	<u>7,950</u>	<u>43,795</u>	-	<u>58,519</u>
<u>6,774</u>	<u>7,950</u>	<u>43,795</u>	-	<u>58,519</u>
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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