

**APALACHEE REGIONAL PLANNING COUNCIL**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**APALACHEE REGIONAL PLANNING COUNCIL  
 AUDITED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020  
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**INDEPENDENT AUDITORS' REPORT**

To the Council Members of  
Apalachee Regional Planning Council:

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of Apalachee Regional Planning Council (the "Council"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditors' 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.

**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 Council as of September 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## INDEPENDENT AUDITORS' REPORT

(concluded)

### Other Matters

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, pension schedules of proportionate share of the net pension liability and schedule of contribution 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 Council's basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550, *Rules of the Auditor General of the State of Florida*, is not a required part of the basic financial statements.

The schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 15, 2022, on our consideration the Council'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

*Moran & Smith LLP*

Moran & Smith LLP  
February 15, 2022  
Tallahassee, Florida

**APALACHEE REGIONAL PLANNING COUNCIL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Our discussion and analysis of the Apalachee Regional Planning Council's financial performance provides an overview of the Council's financial activities for the year ended September 30, 2020. Please read it in conjunction with the Council's financial statements, which begin on page 7.

**FINANCIAL HIGHLIGHTS**

The assets of the Council as reported in the government-wide financial statements exceeded the liabilities as of September 30, 2020, by \$286,665(net position). This amount represents an increase of \$76,400 from the prior year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 7 and 8) provide information about the activities of the Council as a whole and present a longer-term view of the Council's finances. Fund financial statements start on page 9. These statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Council's operations in more detail than the government-wide statement by providing information about the Council's most financially significant funds.

**Government-wide Financial Statements**

Our analysis of the Council as a whole begins on page 4. The Statement of Net Assets and the Statement of Activities report information about the Council as a whole and about its activities in a way that helps explain if the Council as a whole is better off or worse as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Council's net assets and changes in them. The Council's net assets, the difference between assets and the Council's liabilities, is one way to measure the Council's financial health. An increase in the Council's net assets is an indicator that the Council's financial position is improving and a decrease in the Council's net assets is an indicator that the Council's financial position is deteriorating.

**Fund Financial Statements**

The analysis of the Council's major funds begins on page 9. The fund financial statements provide detailed information about the most significant funds, not the Council as a whole. Some funds are required to be established by State or Federal law. However, the Council establishes many other funds to help control and manage money for particular purposes. The Council only has governmental funds.

**Governmental Funds:** The Council's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Council's operations and the services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Council's programs.

**APALACHEE REGIONAL PLANNING COUNCIL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 13 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also contains additional elements that are required by Governmental Auditing Standards, The Office of Management and Budget, and the Rules of the Auditor General of the State of Florida.

**FINANCIAL ANALYSIS**

**Government-Wide Analysis**

The government-wide statements report the Council's net position and how they have changed. Table A-1 presents net position to help identify differences between the Council's assets and liabilities, a way to measure the Council's financial health, or position. Our analysis of the Financial Statements begins below.

A summary of the Council's statements of net position is presented in Table A-1.

**Table A-1  
Condensed Statement of Net Position**

	<u>2020</u>	<u>2019</u>	Increase (Decrease)
Current Assets	\$ 1,203,001	\$ 864,689	\$ 338,312
Capital Assets, Net	<u>1,541</u>	<u>4,870</u>	<u>(3,329)</u>
Total Assets	<u>1,204,542</u>	<u>869,559</u>	<u>334,983</u>
Deferred Outflow of Resources	<u>486,520</u>	<u>337,638</u>	<u>148,882</u>
Current Liabilities	207,356	69,323	138,033
Long-term Liabilities	<u>1,126,203</u>	<u>788,146</u>	<u>338,057</u>
Total Liabilities	<u>1,333,559</u>	<u>857,469</u>	<u>476,090</u>
Deferred Inflows of Resources	<u>70,839</u>	<u>139,462</u>	<u>(68,623)</u>
Net Assets:			
Investment in Capital Assets	1,541	4,870	(3,329)
Restricted	587,100	573,000	14,100
Unassigned	<u>(301,976)</u>	<u>(367,605)</u>	<u>65,629</u>
Total Net Position	<u>\$ 286,665</u>	<u>\$ 210,265</u>	<u>\$ 76,400</u>

As noted earlier, net position may serve over time as a useful indicator of the Council's financial position. As of September 30, 2020 and 2019, the Council's total assets exceeded its total liabilities by \$286,665 an increase of \$76,400 from 2019.

**APALACHEE REGIONAL PLANNING COUNCIL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Unrestricted net position at September 30, 2020 and 2019 were approximately (\$301,976) and (\$367,605) respectively. The Council's decline in fund balance was due to not being able to offset the state's funding shortage with other funded projects.

The Council's net investment in capital assets was \$1,541 and \$4,870 as of September 30, 2020 and 2019 respectively.

Table A-2 illustrates the revenues and expenses that caused the change in the Council's total net position

**Table A-2  
Condensed Statement of Activities**

	2020	2019	Increase (Decrease)
Revenues			
General Revenues	\$ 168,540	\$ 115,959	\$ 52,581
Program Revenues	2,501,699	1,756,237	745,462
Total Revenues	2,670,239	1,872,196	798,043
Expenses			
Administration	139,610	75,107	64,503
Personal Services	1,325,828	1,013,426	312,402
Operating Expenses	1,128,401	793,903	334,498
Total Expenses	2,593,839	1,882,436	711,403
Change in net position	76,400	(10,240)	86,640
Net Position, Beginning	210,265	220,505	(10,240)
Net Position, Ending	\$ 286,665	\$ 210,265	\$ 76,400

In 2020, the Council's total revenues of \$2,670,239 were an increase of \$798,043 when comparing to fiscal 2019. The increase in revenue was due to an increase in grant awards and contract revenues.

Total expenditures for the year ended September 30, 2020, were \$2,593,839 versus \$1,882,436 an increase of \$711,403. This increase is attributable to additional staff, staff salary raises, staff operating expenses, and other contract expenses.

**APALACHEE REGIONAL PLANNING COUNCIL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**Capital Assets and Debt Administration**

For the years ended September 30, 2020 and 2019, the Council had approximately \$1,541 and \$4,870 in fixed assets, respectively, net of accumulated depreciation.

The Council does not have any long-term debt related to its capital assets and does not utilize debt as a matter of policy.

**Individual Fund Analysis**

Since the Council only has governmental funds/activities, the explanations provided above for the Statement of Activities regarding changes in net position also substantially explain the change in fund balance as a result of the Statement of Revenues, Expenditures, and Changes in Fund Balance which are applicable only to the Statement of Activities' presentation.

**General Fund Budgetary Highlights**

Over the course of the fiscal year, the original budget and several budget amendments were approved at the Council meetings held during the year. The amendments effectively approve any expenditure that had already been incurred that exceeded its original budgeted amount.

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

The Council's grant and contracts are contingent upon its renewal and its ability to obtain new grants and, therefore, its revenues may vary from year to year. In setting its budget for fiscal year 2020, various factors, such as delivering at least the same level of expertise in fiscal year 2020 and adding new programs and grants were considered.

**Request for Information**

This financial report is designed to provide a general overview of the Council's finances for all those with an interest in the Council's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Chris Rietow, Executive Director  
Apalachee Regional Planning Council  
2507 Callaway Road, Suite 200  
Tallahassee, Florida 32303



**APALACHEE REGIONAL PLANNING COUNCIL**

**BASIC FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**APALACHEE REGIONAL PLANNING COUNCIL  
STATEMENT OF NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<b>Total Governmental Funds</b>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 220,846
Due from Other Governments	395,055
Due from Other Funds	0
Restricted Assets:	
Cash and Cash Equivalents	59,299
Loans Receivable, Net	527,801
Furniture and Equipment, Net	1,541
<b>Total Assets</b>	<b>1,204,542</b>
 <b>Deferred Outflows of Resources</b>	
Pension Related	486,520
 <b>LIABILITIES</b>	
Accounts Payable and Other Accrued Expenses	191,148
Due to Other Funds	0
Deferred Revenue	0
Line of Credit	0
Current Portion of Compensated Absences	16,208
Long-term Liabilities:	
Net Pension Liability	1,077,579
Amount Due for Compensated Absences	48,624
<b>Total Liabilities</b>	<b>1,333,559</b>
 <b>Deferred Inflows of Resources</b>	
Pension Related	70,839
 <b>NET POSITION</b>	
Net Investment in Capital Assets	1,541
Restricted for:	
Revolving Loan Fund	587,100
Unassigned	(301,976)
<b>Total Net Position</b>	<b>\$ 286,665</b>

See accompanying notes to Financial Statements

**APALACHEE REGIONAL PLANNING COUNCIL  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Governmental Activities</b>				
General Government	\$ 139,610	\$ 99,100	\$ 0	\$ (40,510)
Comprehensive Planning	1,255,930	620,692	659,276	24,037
Public Safety	210,017	0	112,332	(97,685)
Transportation	280,566	15,000	309,470	43,904
Human Services	707,716	64,625	621,204	(21,887)
<b>Total Primary Government</b>	<u>\$ 2,593,839</u>	<u>\$ 799,417</u>	<u>\$ 1,702,282</u>	<u>\$ (92,140)</u>
<b>General Revenues</b>				
Membership Fees				\$ 69,844
Interest Earnings				27,354
Miscellaneous Revenues				71,342
<b>Total General Revenues</b>				<u>168,540</u>
<b>Change in Net Position</b>				76,400
<b>Net Position, Beginning of Year</b>				210,265
<b>Net Position, End of Year</b>				<u>\$ 286,665</u>

See accompanying notes to Financial Statements

**APALACHEE REGIONAL PLANNING COUNCIL  
BALANCE SHEET  
SEPTEMBER 30, 2020**

	<b>Major Funds</b>			<b>Total Governmental Funds</b>
	<b>General Fund</b>	<b>Revolving Loan Fund</b>	<b>COC Fund</b>	
<b>Assets</b>				
Cash and Cash Equivalent	\$ 203,598	\$ 0	\$ 17,248	\$ 220,846
<b>Receivables:</b>				
Due from Other Governments	336,437	0	58,618	395,055
Due from Other Funds	0	0	0	0
<b>Restricted Assets:</b>				
Cash and Cash Equivalent	0	59,299	0	59,299
Loans Receivable, Net	0	527,801	0	527,801
<b>Total Assets</b>	<b>540,035</b>	<b>587,100</b>	<b>75,866</b>	<b>1,203,001</b>
<b>Liabilities</b>				
Accounts Payable and Other Accrued Expenses	158,507	0	32,640	191,148
Other Liabilities	0	0	0	0
Deferred Revenue	0	0	0	0
Due to Other Funds	0	0	0	0
<b>Total Liabilities</b>	<b>158,507</b>	<b>0</b>	<b>32,640</b>	<b>191,148</b>
<b>Fund Balances</b>				
Restricted for Revolving Loan Program	0	587,100	0	587,100
Unassigned	381,528	0	43,226	424,754
<b>Total Fund Balances</b>	<b>381,528</b>	<b>587,100</b>	<b>43,226</b>	<b>1,011,854</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 540,035</b>	<b>\$ 587,100</b>	<b>\$ 75,866</b>	<b>\$ 1,203,001</b>

See accompanying notes to Financial Statements

**APALACHEE REGIONAL PLANNING COUNCIL  
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2020**

**Total Fund Balances of Governmental Funds** \$ 1,011,854

Amounts Reported for Governmental Activities in the Statement  
of Net Position are Different Because:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. 1,541

Certain pension related amounts are being deferred and amortized over a period of years or are being deferred as contributions to the plan made after the measurement date:

Deferred Outflows Related to Pensions	486,520	
Deferred Inflows Related to Pensions	(70,839)	415,681

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.  
Long-term liabilities at year-end consist of:

Accrued Compensated Absences	(64,832)	
Net Pension Liability	(1,077,579)	(1,142,411)

**Total Net Position of Governmental Activities** \$ 286,665

**APALACHEE REGIONAL PLANNING COUNCIL**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2020**

	<b>Major Funds</b>			<b>Total Governmental Funds</b>
	<b>General Fund</b>	<b>Revolving Loan Fund</b>	<b>COC Fund</b>	
<b>Revenues</b>				
Membership Assessments	\$ 63,419	\$ 0	\$ 6,425	\$ 69,844
Intergovernmental Revenues:				
Federal Grants	445,643	0	431,425	877,068
State Grants	635,434	0	189,779	825,213
Governmental Contracts	734,792	0	64,625	799,417
Interest Income	2	27,352	0	27,354
Miscellaneous Revenues	34,423	0	36,920	71,342
<b>Total Revenues</b>	<u>1,913,713</u>	<u>27,352</u>	<u>729,174</u>	<u>2,670,239</u>
<b>Expenditures</b>				
General Government				
Administration	102,486	13,252	1,599	117,338
Debt Service	55,129	0	0	55,129
Comprehensive Planning				
Personal Services	631,817	0	0	631,817
Operating Expenses	585,107	0	0	585,107
Public Safety				
Personal Services	126,101	0	0	126,101
Operating Expenses	46,560	0	0	46,560
Transportation				
Personal Services	186,704	0	0	186,704
Operating Expenses	81,890	0	0	81,890
Human Services				
Personal Services	0	0	276,984	276,984
Operating Expenses	0	0	414,844	414,844
<b>Total Expenditures</b>	<u>1,815,794</u>	<u>13,252</u>	<u>693,428</u>	<u>2,522,474</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>97,918</u>	<u>14,100</u>	<u>35,746</u>	<u>147,765</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Long-term Debt	55,129	0	0	55,129
<b>Total Other Financing Sources (Uses)</b>	<u>55,129</u>	<u>0</u>	<u>0</u>	<u>55,129</u>
<b>Net Change in Fund Balance</b>	153,047	14,100	35,746	202,894
<b>Fund Balance, Beginning of Year</b>	<u>228,481</u>	<u>573,000</u>	<u>7,479</u>	<u>808,960</u>
<b>Fund Balance, End of Year</b>	<u>\$ 381,528</u>	<u>\$ 587,100</u>	<u>\$ 43,225</u>	<u>\$ 1,011,854</u>

See accompanying notes to Financial Statements

**APALACHEE REGIONAL PLANNING COUNCIL  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020**

**Net Change in Fund Balances - Total Governmental Funds.** \$ 202,894

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for Capital Assets	0	
Less: Current Year Depreciation	<u>(3,329)</u>	(3,329)

Certain pension related amounts are being deferred and amortized over a period of years or are being deferred as contributions to the pension plans made after the measurement date:

Deferred Outflows Related to Pensions	148,882	
Deferred Inflows Related to Pensions	<u>68,623</u>	217,505

Some expenses in the statement of activities do not require the use of current financial

Compensated Absences	(10,453)	
Net Pension Liability	<u>(330,217)</u>	<u>(340,670)</u>

**Change in Net Position of Governmental Activities** \$ 76,400

**APALACHEE REGIONAL PLANNING COUNCIL**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**



**APALACHEE REGIONAL PLANNING COUNCIL  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**Note 1 - Summary of Significant Accounting Policies**

**Reporting entity**

Apalachee Regional Planning Council (the “Council”) is a regional governmental planning and coordinating agency formed in August 1977, in accordance with Chapter 186 of the Florida Statutes. The Council’s responsibility is to provide intergovernmental policy analysis and comprehensive planning services in such areas as housing, emergency management, economic development, transportation and other matters having direct regional impact. The membership of the Council presently consists of nine counties in Northwest Florida. The Council is governed by an executive board of directors represented by each of the member counties.

**Government-wide and fund financial statements**

These financial statements have been prepared in conformity with reporting guidelines established by GASB and in conformity with accounting principles generally accepted in the United States of America. As a result of adopting GASB Statement No. 34 and GASB 63, the following types of financial statements are reported by the Council:

**Government-wide Statements** – The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position (statement of activities)) report information on all of the activities of the Council. Governments typically report activities as either governmental activities, which normally are supported by taxes and intergovernmental revenues, or business-type activities, which rely to a significant extent on fees and charges for support. The Council reports only governmental activities as it has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Member dues and other items not properly included among program revenues are reported instead as general revenues. Since the Council’s primary function (mission) is policy analysis and comprehensive planning, all revenues and expenses are considered to be for this purpose and the accompanying financial statements do not segregate beyond this function.

**Fund Financial Statements** – Separate financial statements are provided for the Council’s Governmental Funds, as described below:

**Governmental Fund Type** – used to account for all operations of the Council. The measurement focus of this fund type is based upon determination of changes in financial position or the financial flow measurement focus, rather than upon net income determination. Only current assets and current liabilities are generally included on its balance sheet. The operating statement presents sources (revenues and other financial sources) and uses (expenditures and other financial uses) of available spendable resources during the period. The following comprise the Council’s major governmental funds:

**APALACHEE REGIONAL PLANNING COUNCIL  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**Note 1 - Summary of Significant Accounting Policies (continued)**

- **General Fund** – used to account for all financial resources except those required to be accounted for in another fund.
- **The Revolving Loan Fund** – used to account for resources derived from the Federal Revolving Loan (“RLF”). The RLF fund is used to account for revolving loan funds from the US Department of Commerce through the Economic Development Administration (“EDA”). The EDA RLF is used to provide loans to small and medium sized businesses located within the nine county geographic area covered by the Council, which cannot obtain conventional financing. The fund activity includes cash, outstanding loan receivables, interest earned and allowable administrative expenses.
- **Big Bend Continuum of Care (CoC) Fund** – ARPC entered into a memorandum of agreement with the Big Bend Continuum of Care – The designated regional housing consortium that is serving Leon, Taylor, Franklin, Jefferson, Madison, Gadsden, Liberty and Wakulla Counties. The CoC is a federally mandated collaborative entity used to receive UD Department of HUD and Florida Department of Children and Families grant funds to promote the community-wide goals of ending homelessness. The CoC has its own board of directors. Prior to July 1, 2017, the CoC was using the Big Bend Homeless Coalition, Inc. as the collaborative applicant and entity to receive and manage all CoC grants. Effective July 1, 2017 the ARPC became the new collaborative partner and will work with the CoC on applying for grants and managing the fiscal responsibilities under the direction of the CoC Board of Directors. HUD has now recognized ARPC as the new collaborative Applicant, responsible for the operations of the CoC.

**Measurement focus, basis of accounting, and financial statement presentation**

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

**Governmental Fund Financial Statements**– The Council uses 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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Expenditures are recorded when obligations are incurred, except for expenditures related to claims and judgments, which are recorded only when payment is due.

**Government-wide Financial Statements**– The government-wide financial statements are reported using the resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Intergovernmental and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**APALACHEE REGIONAL PLANNING COUNCIL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**Note 1 - Summary of Significant Accounting Policies (continued)**

GASB Statement No. 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in government funds. Currently, the Council utilizes three of the four designations for fund balance under this statement: net investment in capital assets, restricted, and unassigned. These designations are defined as follows:

**Net investment in capital assets** fund balance category includes the purchase cost net of accumulated depreciation and or amortization of capital assets or leasehold improvements.

**Restricted** fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external source providers, or through enabling legislation. The revolving loan fund is considered restricted as defined by the statement.

**Unassigned** fund balance is classification for the government's general fund and includes all spendable amounts not contained in the other classifications. For fiscal year ended September 30, 2020, the unassigned fund balance in the Council's general fund will be used for the day-to-day operations of the Council.

**Cost Allocation**

Expenses incurred in relation to specific grants or contracts are charged directly to grants or contracts. All other expenses are allocated to active grants or contracts on the basis of direct salary, allocated leave salary, plus allocated fringe benefits. This policy is consistent with the principles of Office of Management and Budget ("OMB") 2CFR, Part 230.

**Budget Policy**

Prior to October 1 of each year, the budget is legally adopted by the Council's Board. The budget is prepared based on the accrual basis of accounting which is the same basis of accounting used to reflect actual revenues and expenditures recognized in accordance with accounting principles generally accepted in the United States of America. The Council does not adopt individual budgets for each fund type. All budget amounts presented in the Combined Statements of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual have been adjusted for budget revisions approved by the Council's Board as of September 30, 2020.

**Risk Management**

It is the policy of the Council to purchase insurance for the risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council obtained workers' compensation, property, and general liability coverage through the Florida Municipal Insurance Trust Fund of the Florida League of Cities, Inc. The Council obtained, from third party insurers, employee health, employee dental, group life, and disability insurance.

**Encumbrances**

The Council does not utilize encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

**APALACHEE REGIONAL PLANNING COUNCIL  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Accounting Estimates**

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

**Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposit accounts and highly liquid investments (including restricted assets) with maturity of three months or less when purchased.

**Investments**

The Council did not have any investments during the year ended September 30, 2020.

**Contract and Grant Receivables**

Contract and grant receivables are stated at gross value. In management's opinion, all receivables are collectible as of year-end.

**Loans Receivable/Allowance for Loan Losses**

Loans are stated at the amount of unpaid principal, reduced by an allowance for loan losses. The allowance for loan losses is established through a provision for loan losses charged as an expense. The Council did not have an amount for the allowance for loan losses at September 30, 2020.

**Restricted Assets**

The use of certain assets is restricted to finance business development activities with local economic development strategies and for revolving loan fund activities. Assets so designated are identified as restricted assets on the balance sheet.

**Capital Assets**

Capital assets, which include office furniture and equipment and leasehold improvements, are recorded as capital outlay expenditures in the General Fund at the time goods are received and a liability is incurred. These assets are then capitalized at cost in the statement of net position. Fixed assets are depreciated using the straight-line method over two to ten years for furniture and equipment, and the remaining lease period for leasehold improvements. The depreciation expense is recorded in the statement of activities.

**Compensated Absences**

The Council's policy is to permit regular employees to accumulate earned and unused vacation pay benefits up to 240 hours of vacation time. The liability for accumulated vacation hours is reflected in the statement of net position.

**APALACHEE REGIONAL PLANNING COUNCIL  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**Note 1 - Summary of Significant Accounting Policies (concluded)**

**Deferred Inflows/Outflows of Resources**

Deferred inflows of resources reported on applicable governmental fund types represent revenues which are measurable but not available in accordance with the modified accrual basis of accounting. The deferred inflows will be recognized as revenue in the fiscal year they are earned or become available. Deferred outflows of resources represent consumption of net position that is applicable to a future reporting period. Deferred outflows have a positive effect on net position, similar to assets.

*Pension Related-* Pension Related Deferred Inflows and Outflows represent the difference between expected and actual experience with regard to economic or demographic factors and changes to assumptions in the measurement of total pension liability, and the differences between expected and actual earnings on pension plan investments, and changes in the County's proportionate share of pension contributions. These amounts are reported as deferred inflows and outflows of resources, to be recognized in expense over time. Also included in deferred outflows are amounts contributed to the pension plans subsequent to the measurement date. See Note 6 for more information on Pension Related Deferred Inflows and Outflows.

**Unearned Revenues**

Unearned revenues are payments received from grantor agencies before the related costs are incurred.

**Income Taxes**

The Council is exempt from federal and state income taxes; accordingly, no provision for income taxes is included in the financial statements.

**Note 2 - Cash and Cash Equivalents**

At September 30, 2020, the Council's cash and investments consisted of the following:

Cash and cash equivalents- Unrestricted	
Demand deposits	\$ 220,846
Total unrestricted cash and cash equivalents	<u>220,846</u>
 EDA Revolving Loan Fund	
Total restricted cash and cash equivalents	<u>59,299</u>
Total cash and cash equivalents	<u>\$ 280,145</u>

The carrying value of the above cash and investments equals fair value.

**APALACHEE REGIONAL PLANNING COUNCIL  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**Note 2 - Cash and Cash Equivalents (concluded)**

**Deposits**

The Council's deposits are held in financial institutions with Federal depository insurance that are approved by the State Treasurer to hold public funds.

**Florida State Board of Administration**

The Council does not have an investment policy with specific provisions to limit exposure to credit risk, custodial credit risk, concentration of credit risk, interest rate risk, or foreign currency risk. Excess funds are invested with the Local Government Surplus Funds Investment Pool Trust Fund ("Florida Prime"), which is administered by the Florida State Board of Administration (SBA) and governed by Chapters 215 and 218 of the Florida Statutes, and Chapter 19-7 of the Florida Administrative Code (collectively, "applicable Florida Law").

At September 30, 2020, Apalachee Regional Planning Council had a balance of \$154 invested in the State Board of Administration's Florida Prime Fund.

The Office of the Auditor General performs an operational audit of the activities and investments of the SBA. Investments in the pooled fund are held in the name of the SBA and are not registered with the Securities and Exchange Commission.

Florida PRIME is not a registrant with the Securities and Exchange Commission (SEC); however, SBA has adopted operating procedures consistent with those required of an SEC Rule 2a-7-like fund. A 2a-7-like external investment pool is one that is not registered with the SEC as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with SEC Rule 2a-7, which governs the operation of SEC regulated money market funds.

**Restricted Cash**

The EDA Revolving Loan Fund restricted cash represents funds available to be loaned to finance business development activities consistent with local economic development strategies.

**Note 3 - Loans Receivable/Allowance for Loan Losses**

	<u>Unrestricted</u>	<u>Revolving Loan Fund</u>	<u>Total</u>
Opening notes receivable	\$ 0	\$ 444,598	\$ 444,598
Principal collected	0	(127,519)	(127,519)
Amount loaned	<u>0</u>	<u>210,722</u>	<u>210,722</u>
Ending loan balance	<u>\$ 0</u>	<u>\$ 527,801</u>	<u>\$ 527,801</u>

**APALACHEE REGIONAL PLANNING COUNCIL  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**Note 3 - Loans Receivable/Allowance for Loan Losses(concluded)**

The Council contracted with the Economic Development Administration for an Economic Adjustment Assistance Grant of \$1,000,000 under Title IX, Section 903 of the Public Works and Economic Development Act of 1965, as amended. The Council also contracted with the Farmers Home Administration for an Industrial Development Grant to fund an Economic Development Revolving Loan Fund. A revolving loan fund (RLF) was created to assist local private enterprises in employment opportunities. The original grant provisions of the Farmers' Home Administration have been fulfilled and the Council did not include this loan activity in a separate fund.

All principal repayments on EDA RLF loans must be returned to the fund for relending. Interest earned on loans must either be returned to the RLF for relending or may be used for administrative costs of the RLF.

Notes receivable consists of several loans made to small business entities that meet the RLF funding requirements. The loans are due in monthly installments at the rate of 6% to 8% over a period of three to ten years. The loans are secured by various types of collateral and are recorded at their net realizable value as of the financial statement date. The Council had several loans that were delinquent, but subsequent events indicated that an allowance for doubtful loans was not required, and the Council did not include any amounts in the allowance at year end.

**Note 4 - Capital Assets**

The following is the summary of changes in capital assets for the year ended September 30, 2020:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Furniture and equipment	\$ 33,033	\$ 0	\$ 0	\$ 33,033
Less accumulated depreciation	<u>(28,163)</u>	<u>(3,329)</u>	<u>0</u>	<u>(31,492)</u>
Furniture and equipment, net	<u>\$ 4,870</u>	<u>\$ (3,329)</u>	<u>\$ 0</u>	<u>\$ 1,541</u>

Depreciation expense of \$3,329 in fiscal year ended September 30, 2020, was reported in administrative expense.

**APALACHEE REGIONAL PLANNING COUNCIL  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**Note 5 - Long-term Liabilities**

	Balance 10/1/2019	Additions	(Deductions)	Balance 9/30/2020
Governmental Activities				
Notes Payable Line of Credit	\$ 0	\$ 55,129	\$ (55,129)	\$ 0
Compensated Absences	54,379	10,453	0	64,832
Net Pension Liability	747,362	330,217	0	1,077,579
Total General Long-term Debt	<u>\$ 801,741</u>	<u>\$ 395,799</u>	<u>\$ (55,129)</u>	<u>\$ 1,142,411</u>

The Council has an open, unsecured line of credit in which they borrowed and paid back \$55,129 during the fiscal year.

**Note 6 – Pension Plans**

**Defined Benefit Plans**

**Plan Description**

The Council participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability and death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report may be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida, 32315-9000 or by calling (844) 377-1888.

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multi-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retirees' Health Insurance Subsidy (HIS) Program is a cost-sharing, multi-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.



**APALACHEE REGIONAL PLANNING COUNCIL  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2020**

**Note 6 – Pension Plans (continued)**

**Benefits Provided**

Benefits under FRS are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes.

**Contributions**

The contribution requirements of plan members and the Council are established and may be amended by the Florida Legislature. Employees are required to contribute 3% of their salary to FRS. The Council's contribution rates for the year ended September 30, 2020 were as follows:

	Year Ended June 30, 2021		Year Ended June 30, 2020	
	FRS	HIS	FRS	HIS
Regular Class	8.28%	1.66%	6.75%	1.66%
Senior Management	25.57%	1.66%	23.69%	1.66%
Special Risk Employee Class	24.36%	1.66%	23.76%	1.66%
DROP Plan Participants	15.26%	1.66%	12.94%	1.66%

The Council's contributions for the year ended September 30, 2020, were \$69,372 to FRS and \$15,884 to HIS.

**APALACHEE REGIONAL PLANNING COUNCIL  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**Note 6 – Pension Plans (continued)**

**Pension Liabilities and Pension Expense**

In its financial statements for the year ended September 30, 2020, the Council reported a liability for its proportionate shares of the net pension liabilities. The net pension liabilities were measured as of June 30, 2019, and the total pension liabilities used to calculate the net pension liability were determined by actuarial valuation date July 1, 2018. The Council's proportions of the net pension liabilities were based on the Council's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	<u>FRS</u>	<u>HIS</u>
Net Pension Liability	\$ 780,123	\$ 297,456
Proportion at:		
Current Measurement Date	0.001799946%	0.002436199%
Prior Measurement Date	0.001495609%	0.002076104%
Pension Expense (Benefit)	\$ 170,063	\$ 27,920

**Deferred Outflows/Inflows of Resources Related to Pensions**

At September 30, 2020, the Council reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>FRS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 29,857	\$ 0
Changes of assumptions	141,227	0
Net difference between projected and actual earnings on Pension Plan Investments	46,449	0
Changes in proportion and differences between employer contributions and proportionate share of contributions	108,358	37,254
Employer contributions subsequent to the measurement date	25,505	0
Total	<u>\$ 350,396</u>	<u>\$ 37,254</u>

**APALACHEE REGIONAL PLANNING COUNCIL  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**Note 6 – Pension Plans (continued)**

	HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 12,168	\$ 229
Changes of assumptions	31,985	17,296
Net difference between projected and actual earnings on Pension Plan Investments	237	0
Changes in proportion and differences between employer contributions and proportionate share of contributions	86,790	16,060
Employer contributions subsequent to the measurement date	4,944	0
Total	\$ 136,124	\$ 33,585

Deferred outflows or resources related to employer contributions paid subsequent to the measurement date and prior to the employer’s fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2020. Other pension related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Measurement period ending June 30,	FRS	HIS
2021	\$ 48,058	\$ 16,176
2022	81,942	17,513
2023	81,207	17,763
2024	55,841	23,287
2025	21,589	12,304
Thereafter	3,410	10,552
Total	\$ 288,637	\$ 97,595

**Actuarial Assumptions**

The total pension liability for each of the defined benefit plans, measured as of June 30, 2020, was determined by an actuarial valuation dated July 1, 2018, using the individual entry age normal actuarial cost method and the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary Increase	3.25% Average, Including Inflation	3.25%
Discount Rate	6.80%	2.21%
Long-term Expected Rate of Return, Net of Investment Income	6.80%	N/A
Municipal Bond	N/A	2.21%

**APALACHEE REGIONAL PLANNING COUNCIL  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**Note 6 – Pension Plans (continued)**

Mortality assumptions for both plans were based on the Generational RP-2000 with Projection Scale BB.

For both plans, the actuarial assumptions used in the valuation date June 30, 2020 were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The following changes in key actuarial assumptions occurred in 2020:

- FRS: The long-term expected rate of return was decreased from 6.90% to 6.80% and the active member mortality assumption was updated.
- HIS: The municipal rate used to determine total pension liability was decreased from 3.50% to 2.21%.
- The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. For FRS, the table below summarizes the target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class.

Asset Class	Target Allocation	Annual Arithmetic Return	Geometric Return	Standard Deviation
Cash	1%	2.2%	2.2%	1.2%
Fixed income	19%	3.0%	2.9%	3.5%
Global equity	54.2%	8.0%	6.7%	17.1%
Real estate (property)	10.3%	6.4%	5.8%	11.7%
Private equity	11.1%	10.8%	8.1%	25.7%
Strategic investments	4.4%	5.5%	5.3%	6.9%
	<u>100%</u>			
Assumed Inflation- Mean			2.4%	1.7%

**Discount Rate**

The discount rate used to measure the total pension liability for FRS was 6.80%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because HIS is essentially funded on a pay-as-you-go basis, a municipal bond rate of 2.21% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

**APALACHEE REGIONAL PLANNING COUNCIL  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**Note 6 – Pension Plans (concluded)**

**Sensitivity Analysis**

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the Council’s proportionate share of the net pension liability if the discount rate was 1% higher or 1% lower than the current discount rate.

	FRS		
	Current		
	1% Decrease	Discount Rate	1% Increase
Employer's proportionate share of the net pension liability	\$ 1,245,725	\$ 780,123	\$ 391,250

	HIS		
	Current		
	1% Decrease	Discount Rate	1% Increase
Employer's proportionate share of the net pension liability	\$ 343,846	\$ 297,456	\$ 259,486

**Pension Plans’ Fiduciary Net Position**

Detailed information about the pension plans’ fiduciary net position is available in the State’s separately issued financial reports.

**Defined Contribution Plan**

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan (FRS Investment Plan), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class.

**Note 7 - Other Postemployment Benefits**

The Council provides other postemployment benefits (OPEB) to its employees by providing retirement healthcare benefits through an implicit rate subsidy. The city has not implemented the provisions of GASB statement No. 75, *Accounting and Financial Reporting by employers for Postemployment Benefits other than Pensions*. Statement No. 45 establishes Standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities, note disclosures, and required supplementary information.

**APALACHEE REGIONAL PLANNING COUNCIL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**Note 8 - Commitments**

The Council conducts its operations from leased office space in Tallahassee, Florida. Total rental and leased equipment expense for the year ended September 30, 2020, was \$62,288. Future annual rental payments and leased equipment payments are included as follows:

Year Ending September 30,	
2021	\$ 63,333
2022	65,869
2023	66,719
2024	5,753
2025	<u>0</u>
Total	<u><u>\$ 201,674</u></u>

**Note 9 - Contingencies**

The Council participates in a number of Federal programs and State projects. These programs and projects are subject to financial and compliance audits by the grantors or their respective representatives. The possible disallowance of any item charged to the program or project or request for the return of any unexpended funds cannot be determined at this time. No provision for any liability that may result has been made in the financial statements.

**Note 10 - Subsequent Events**

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued or are available to be issued. Subsequent events should be disclosed in the financial statements if exclusion of such disclosure would cause the financial statements to be misleading. Management has evaluated subsequent events through February 15, 2022, the date the financial statements were available to be issued and does not believe that there are any such events or transactions that require disclosure.

**Note 11- Fund Balance**

In accordance with GASB 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Council classifies governmental fund balances as follows:

- Restricted—includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation.
- Unassigned—includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

**APALACHEE REGIONAL PLANNING COUNCIL  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**Note 11- Fund Balance (concluded)**

The Council spends restricted amounts first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Council would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made. The Council does not have a formal fund balance policy.

Schedule of the Council's Fund Balances is shown below:

<u>Fund Balances</u>	<u>General</u>	<u>Special Revenue</u>	<u>COC</u>	<u>Total Governmental Funds</u>
Restricted for:				
Revolving Loan	\$ 0	\$ 587,100	\$ 0	\$ 587,100
Unassigned	<u>381,528</u>	<u>0</u>	<u>43,225</u>	<u>424,754</u>
Total Fund Balance	<u>\$ 381,528</u>	<u>\$ 587,100</u>	<u>\$ 43,225</u>	<u>\$ 1,011,854</u>

**Note 12- Computation of Federal Expenditures- Revolving Loan Fund**

Loan receivable reported for federal awards were expended in prior years. Therefore, amounts reported in the statement were not taken into consideration as expenditures for the current year, as they were considered in the year the actual expenditures occurred.

Balance of RLF loans outstanding at September 30, 2020	\$527,801
<i>Plus</i> , Cash and Investment balance at September 30, 2020	59,299
<i>Plus</i> , Administrative expenses paid out of RLF during the year	<u>13,252</u>
Total	<u>600,352</u>
Federal share percentage (Original loan \$ 1,000,000 + original match \$ 335,000)	<u>75%</u>
Federal share	<u>\$450,264</u>

**APALACHEE REGIONAL PLANNING COUNCIL**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SEPTEMBER 30, 2020**



**APALACHEE REGIONAL PLANNING COUNCIL**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Membership Assessments	\$ 73,500	\$ 67,000	\$ 63,419	\$ (3,581)
Federal, State, and Local Grants	1,218,600	1,590,900	1,823,048	232,148
Interest Income	0	0	2	2
Other Income	30,000	30,000	34,423	4,423
<b>Total Revenues</b>	<u>1,322,100</u>	<u>1,687,900</u>	<u>1,920,891</u>	<u>232,991</u>
<b>Expenditures</b>				
Administration	105,100	148,100	102,486	(45,614)
Personal Services	915,000	971,000	944,622	(26,378)
Operating Expenses	302,000	568,800	713,557	144,757
Debt Service	0	0	55,129	55,129
<b>Total Expenditures</b>	<u>1,322,100</u>	<u>1,687,900</u>	<u>1,815,794</u>	<u>127,894</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>0</u>	<u>0</u>	<u>105,097</u>	<u>105,097</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Long-term Debt	0	0	55,129	55,129
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>55,129</u>	<u>55,129</u>
<b>Net Change in Fund Balance</b>	0	0	160,226	160,226
<b>Fund Balance, Beginning of Year</b>	<u>0</u>	<u>0</u>	<u>228,481</u>	<u>228,481</u>
<b>Fund Balance, End of Year</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 388,707</u>	<u>\$ 388,707</u>

See notes to budgetary comparison schedule.

**APALACHEE REGIONAL PLANNING COUNCIL**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**REVOLVING LOAN FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest and Service Fees	\$ 25,000	\$ 25,000	\$ 27,352	\$ 2,352
<b>Total Revenues</b>	<u>25,000</u>	<u>25,000</u>	<u>27,352</u>	<u>2,352</u>
<b>Expenditures</b>				
Administration	10,000	13,300	13,252	48
<b>Total Expenditures</b>	<u>10,000</u>	<u>13,300</u>	<u>13,252</u>	<u>48</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>15,000</u>	<u>11,700</u>	<u>14,100</u>	<u>2,400</u>
<b>Fund Balance, Beginning of Year</b>	<u>573,000</u>	<u>573,000</u>	<u>573,000</u>	<u>0</u>
<b>Fund Balance, End of Year</b>	<u>\$ 588,000</u>	<u>\$ 584,700</u>	<u>\$ 587,100</u>	<u>\$ 2,400</u>

See notes to budgetary comparison schedule.

**APALACHEE REGIONAL PLANNING COUNCIL**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**CONTINUUM OF CARE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Membership Assessments	\$ 4,000	\$ 6,500	\$ 6,425	\$ (75)
Federal, State, and Local Grants	689,940	677,040	678,651	1,611
Interest Income	0	0	0	0
Other Income	17,600	17,280	36,920	19,640
<b>Total Revenues</b>	<u>711,540</u>	<u>700,820</u>	<u>721,995</u>	<u>21,175</u>
<b>Expenditures</b>				
Administration	30,000	30,000	1,599	28,401
Personal Services	300,000	281,000	276,984	4,016
Operating Expenses	381,540	389,820	414,844	(25,024)
<b>Total Expenditures</b>	<u>711,540</u>	<u>700,820</u>	<u>693,428</u>	<u>7,392</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>0</u>	<u>0</u>	<u>28,568</u>	<u>28,568</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Long-term Debt	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Change in Fund Balance</b>	0	0	28,568	28,568
<b>Fund Balance, Beginning of Year</b>	<u>0</u>	<u>0</u>	<u>7,479</u>	<u>7,479</u>
<b>Fund Balance, End of Year</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 36,047</u>	<u>\$ 36,047</u>

See notes to budgetary comparison schedule.

**APALACHEE REGIONAL PLANNING COUNCIL  
NOTES TO BUDGETARY COMPARISON SCHEDULE  
SEPTEMBER 30, 2020**

**Note 1- Budgetary Requirements**

The Apalachee Regional Planning Council (“the Council”) prepares an annual operating budget for the general and special revenue funds which are reflected in these financial statements. The Council’s budgeting process is based on estimates of revenues and expenditures and requires that all budgets be approved by the Board of the Council (the “Board”). Subsequent amendments to the budget, if any, are approved by the Board.

Budgets are prepared on the same basis of accounting as required for Governmental Fund Types. Any remaining fund balances remain with the Council at the end of the year.

**APALACHEE REGIONAL PLANNING COUNCIL  
FLORIDA RETIREMENT SYSTEM PENSION PLAN  
SCHEDULE OF THE COUNCIL'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY  
SEPTEMBER 30, 2020**

	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015
Council's Proportion of the Net Pension Liability	0.001799946%	0.001495600%	0.001360903%	0.001093745%	0.001399548%	0.002000900%
Council's Proportionate Share of the Net Pension Liability	\$ 780,123	\$ 515,064	\$ 409,911	\$ 323,522	\$ 353,387	\$ 258,444
Council's Covered-Employee Payroll (FYE 9/30)	1,221,606	923,886	646,408	428,779	392,400	475,036
Council's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	63.86%	55.75%	63.41%	75.45%	90.06%	54.41%
<b>FRS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

Notes to Schedule:

The amounts presented for the Net Pension Liability were determined using a measurement date of June 30.

The Covered-Employee Payroll is for the fiscal year shown.

This schedule will build to 10 years as information becomes available.

**APALACHEE REGIONAL PLANNING COUNCIL  
FLORIDA RETIREMENT SYSTEM PENSION PLAN  
SCHEDULE OF THE COUNCIL'S CONTRIBUTIONS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015
Contractually Required Contributions	\$ 59,804	\$ 46,375	\$ 38,785	\$ 29,592	\$ 32,713	\$ 48,434
Contributions in Relation to the Contractually Required Contribution	(59,804)	(46,375)	(38,785)	(29,592)	(32,713)	(48,434)
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
County's Covered-Employee Payroll	1,221,606	923,886	646,408	428,779	392,400	475,036
<b>Contributions as a Percentage of Covered-Employee Payroll</b>	4.90%	5.02%	6.00%	6.90%	8.34%	10.20%

Notes to Schedule:

This schedule will build to 10 years as information becomes available.

**APALACHEE REGIONAL PLANNING COUNCIL  
HEALTH INSURANCE SUBSIDY PENSION PLAN  
SCHEDULE OF THE COUNCIL'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY  
SEPTEMBER 30, 2020**

	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015
Council's Proportion of the Net Pension Liability	0.002436199%	0.002076100%	0.001949018%	0.001201826%	0.001230080%	0.001599500%
Council's Proportionate Share of the Net Pension Liability	\$ 297,456	\$ 232,295	\$ 206,286	\$ 128,505	\$ 143,361	\$ 163,125
Council's Covered-Employee Payroll (FYE 9/30)	1,221,606	923,886	646,408	428,779	392,400	475,036
Council's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	24.35%	25.14%	31.91%	29.97%	36.53%	34.34%
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>3.00%</b>	<b>2.63%</b>	<b>2.15%</b>	<b>1.64%</b>	<b>0.97%</b>	<b>0.50%</b>

Notes to Schedule:

The amounts presented for the Net Pension Liability were determined using a measurement date of June 30.

The Covered-Employee Payroll is for the fiscal year shown.

This schedule will build to 10 years as information becomes available.

**APALACHEE REGIONAL PLANNING COUNCIL  
HEALTH INSURANCE SUBSIDY PENSION PLAN  
SCHEDULE OF THE COUNCIL'S CONTRIBUTIONS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30 2015
Contractually Required Contributions	\$ 14,039	\$ 11,528	\$ 10,570	\$ 7,109	\$ 6,392	\$ 6,461
Contributions in Relation to the Contractually Required Contribution	(14,039)	(11,528)	(10,570)	(7,109)	(6,392)	(6,461)
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Council's Covered-Employee Payroll	1,221,606	923,886	646,408	428,779	392,400	475,036
<b>Contributions as a Percentage of Covered-Employee Payroll</b>	1.15%	1.25%	1.64%	1.66%	1.63%	1.36%

Notes to Schedule:

This schedule will build to 10 years as information becomes available.



**APALACHEE REGIONAL PLANNING COUNCIL**

**COMPLIANCE SECTION**

**SEPTEMBER 30, 2020**

**APALACHEE REGIONAL PLANNING COUNCIL  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	CSFA #	Contract #	Grant Amount	Total Expenditures
<i>Florida Office of the Governor</i>				
Local Emergency Planning Committee	31.067	19-CP-11-13-00-21-116	\$ 80,000	\$ 10,300
Local Emergency Planning Committee	31.067	T0023	80,000	80,000
Hazard Analyses	31.067	T0025	22,032	22,032
<i>Total Florida Office of the Governor</i>			<u>182,032</u>	<u>112,332</u>
<i>Florida Department of Environmental Protection</i>				
Small Quantity Hazardous Waste Generator	37.013	SO805 Amend No. 7	30,222	26,172
Franklin 98-Early Coordination for Proposed Living Shoreline	37.098	R1931	125,000	125,000
<i>Total Florida Department of Environmental Protection</i>			<u>155,222</u>	<u>151,172</u>
<i>Florida Department of Economic Opportunity</i>				
Growth Management Implementation	40.024	P0348	65,450	62,461
<i>Florida Department of Transportation</i>				
Commission for the Transportation Disadvantage Planning Grant	55.002	*Below	184,738	184,738
Commuter Assistance Program/Ride Share	55.007	G1H94	226,282	125,237
<i>Total Florida Department of Transportation</i>			<u>411,020</u>	<u>309,975</u>
<i>Florida Department of Children and Families</i>				
Homeless Challenge	60.014	BPZ12	143,386	69,910
Homeless Challenge	60.014	BPZ12	86,000	12,726
Homeless Grants-in-Aid	60.021	BPZ12	107,143	71,429
Homeless Grants-in-Aid	60.021	BPZ12	107,143	35,714
<i>Total Florida Office of the Governor</i>			<u>443,672</u>	<u>189,779</u>
<i>Total State Awards</i>			<u>\$ 1,257,396</u>	<u>\$ 825,718</u>

\*Contract #'s G1824, G1835, G1836, G1853, G1858, G1859, G1865, G1890

**APALACHEE REGIONAL PLANNING COUNCIL  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

<b>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</b>	<b>CFDA #</b>	<b>Contract #</b>	<b>Grant Amount</b>	<b>Expenditures</b>
<u><i>U.S. Department of Commerce - Economic Development Administration</i></u>				
Comprehensive Economic Development Planning (CEDS)	11.302	17-ATL-3020021	\$ 210,000	\$ 70,000
Economic Adjustment Assistance "Revolving Loan Fund"	11.307	04-19-03362	1,000,000	450,264
Recovery Coordinator	11.307	04-79-07342	160,000	80,000
National Oceanic and Atmospheric Administration	11.473	0318.19.067013	7,443,063	146,240
<u><i>Total U.S. Department of Commerce - Economic Development Administration</i></u>			<u>8,813,063</u>	<u>746,504</u>
<u><i>U.S. Department of Housing and Urban Development</i></u>				
Passed Through the State of Florida Department of Children and Families				
Emergency Solutions Grant	14.231	BPZ12	170,000	147,789
Emergency Solutions Grant	14.231	BPZ12	170,000	22,211
Continuum of Care - Homeless Management Information System	14.267	FL0355L4H061809	130,292	102,931
Continuum of Care - Homeless Management Information System	14.267	FL0355L4H061708	130,292	58,366
Continuum of Care - Planning	14.267	FL0624L4H061700	65,997	65,997
<u><i>Total U.S. Department of Housing and Urban Development</i></u>			<u>666,581</u>	<u>397,294</u>
<u><i>U.S. Department of Transportation</i></u>				
Passed Through the State of Florida Division of Emergency Management				
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	19-DT-W3-13-00-21-222	49,594	48,553
<u><i>U.S. Environmental Protection Agency</i></u>				
Brownsfields Assessment and Cleanup Cooperative	66.818	BF-00D58617-0	300,000	100,850
<u><i>U.S. Department of Health and Human Services</i></u>				
Passed Through the State of Florida Department of Children and Families				
Temporary Assistance for Needy Families	93.558	BPZ12	30,000	23,065
Temporary Assistance for Needy Families	93.558	BPZ12	30,000	13,526
<u><i>Total U.S. Department of Health and Human Services</i></u>			<u>60,000</u>	<u>36,591</u>
<u><i>Total Federal Awards</i></u>			<u>\$ 9,889,238</u>	<u>\$ 1,329,792</u>

**APALACHEE REGIONAL PLANNING COUNCIL**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARD PROGRAMS AND STATE**  
**FINANCIAL ASSISTANCE**  
**SEPTEMBER 30, 2020**

**Note 1 - General**

The accounting policies and presentations of the accompanying schedule of expenditures of federal awards of Apalachee Regional Planning Council (the "Council") have been designed to conform with generally accepted accounting principles applicable to governmental units. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General of the State of Florida.

**Note 2 – Basis of Presentation**

The accompanying schedule of federal awards includes the federal award activity of the Council and is presented using the same basis of accounting as the fund in which the grant is recorded, generally the accrual or modified accrual basis of accounting, as described in Note 1 to the Council's financial statements.

**Note 3 – Contingencies**

Grant monies received and disbursed by the Council are for specific purposes and are subject to review by grantor agencies. Such audits may result in requests for reimbursements due to disallowance of expenditures. Based upon prior experience, the Council does not believe that such disallowances, if any, would have a material effect on the financial position of the Council.

**APALACHEE REGIONAL PLANNING COUNCIL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FEDERAL AWARD PROGRAMS AND STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**PART I- SUMMARY OF AUDITOR’S RESULTS**

1. The independent auditors' report expresses unqualified opinions on the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Apalachee Regional Planning Council, as of and for the year ended September 30, 2020.
2. There were no instances of material weakness(es) or significant deficiency(ies) identified during the audit of the financial statements reported in the report on internal control over financial reporting and compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
3. There were no instances of noncompliance identified during the audit of the financial statements as reported in the 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*.
4. The audit disclosed no significant deficiencies relating to the audit of the major federal award programs reported in the Independent Auditors’ Report on Compliance for Each Major Federal Award and State Financial Assistance project that are required to be reported in the schedule of findings and questioned costs.
5. The “Independent Auditors’ Report on Compliance for Each Major Federal Award Program and State Financial Assistance Projects on Internal Control Over Compliance Required by Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, for Apalachee Regional Planning Council, expresses an unmodified opinion.
6. The audit disclosed no findings required to be reported in accordance with the Uniform Guidance or Chapter 10.550, *Rules of the Auditor General* relative to the major federal awards programs or state financial assistance projects for Apalachee Regional Planning Council.
7. The programs tested as major federal award programs and state financial assistance projects included the following:

U.S. Department of Commerce-Economic Development Administration	
Comprehensive Economic Development Planning (CEDS)	11.302
Economic Adjustment Assistance-Revolving Loan Fund	11.307
EDP-EDA Recovery Coordinator	11.307
National Oceanic and Atmospheric Administration	11.473

Florida Office of the Governor	
Local Emergency Planning Committee	31.067
Hazard Analyses	31.067

Florida Department of Transportation	
Commission for the Transportation Disadvantage	55.002
Commuter Assistance Program/Ride Share	55.007

8. The threshold for distinguishing Type A and Type B programs/projects was \$750,000 for major federal award programs and \$750,000 for major state financial assistance projects
9. Apalachee Regional Planning Council did not qualify as a low-risk auditee.

**APALACHEE REGIONAL PLANNING COUNCIL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FEDERAL AWARD PROGRAMS AND STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**PART II - FINDINGS - FINANCIAL STATEMENT FINDINGS**

There were no findings relative to the Financial Statements.

**PART III - FINDINGS AND QUESTIONED COSTS - FEDERAL AWARD PROGRAMS**

There were no findings relative to the federal programs.

**PART IV - FINDINGS AND QUESTIONED COSTS STATE FINANCIAL ASSISTANCE PROJECTS**

There were no findings relative to the major state projects.

**PART V – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS RELATIVE TO FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**

There were no prior audit findings.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND STATE FINANCIAL ASSISTANCE PROJECT AND ON INTERNAL  
CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE AND CHAPTER  
10.550, RULES OF THE AUDITOR GENERAL**

To the Council Members of  
Apalachee Regional Planning Council:

**Report on Compliance for Each Major Federal Program and State Financial Assistance Project**

We have audited Apalachee Regional Planning Council's (the "Council") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (*OMB Compliance Supplement*) and the requirements described in the Florida Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of the Council's major federal programs and state financial assistance projects for the year ended September 30, 2020. The Council's major federal programs and state financial assistance projects are identified in the summary of auditors' 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 and state projects.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Council's major federal programs and state financial assistance projects 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*. Those standards, Uniform Guidance and Chapter 10.550 Rules of the Florida Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state financial assistance projects occurred. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and major state financial assistance projects. However, our audit does not provide a legal determination of the Council's compliance with those requirements.

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND STATE FINANCIAL ASSISTANCE PROJECT AND ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE AND  
CHAPTER 10.550, RULES OF THE AUDITOR GENERAL  
(Continued)**

**Opinion on the Major Federal Program and State Financial Assistance Project**

In our opinion, the Council complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs or major state financial assistance projects for the year ended September 30, 2020.

**Report on Internal Control over Compliance**

Management of the Council is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit, we considered the Council’s internal control over compliance with the requirements that could have a direct and material effect on each major federal program and major state financial assistance project in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and major state financial assistance project and to test and report on internal control over compliance in accordance with Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, 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 Council’s internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state financial assistance project 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 or state financial assistance project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or 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 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. However, material weaknesses may exist that have not been identified.

**Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this communication is not suitable for any other purpose.



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND STATE FINANCIAL ASSISTANCE PROJECT AND ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE AND  
CHAPTER 10.550, RULES OF THE AUDITOR GENERAL  
(Concluded)**

**Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General**

We have audited the financial statements of the Council as of and for the year ended September 30, 2020, and have issued our report thereon dated February 15, 2022, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditure of federal awards and state financial assistance is presented for the purposes of additional analysis as required by Uniform Guidance and Chapter 10.550, *Rules of the Auditor General* and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. 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 schedule of expenditures of federal awards and state financial assistance is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Moran & Smith LLP*

Moran & Smith LLP  
February 15, 2022  
Tallahassee, Florida

**INDEPENDENT AUDITORS' 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 Council Members of  
Apalachee Regional Planning Council:

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 Apalachee Regional Planning Council (the "Council"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated February 15, 2022.

**Internal Control over Financial Reporting**

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a 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 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.

**INDEPENDENT AUDITORS' 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**  
*(concluded)*

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Council'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 Council's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Moran & Smith LLP*

Moran & Smith LLP  
February 15, 2022  
Tallahassee, Florida

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE  
REQUIREMENTS OF SECTION 218.415 FLORIDA STATUTES**

To the Council Members of  
Apalachee Regional Planning Council:

We have examined the Apalachee Regional Planning Council (the "Council"), compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2020, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Council's compliance with those requirements. Our responsibility is to express an opinion on the Council's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Council's compliance with specified requirements.

In our opinion, the Council complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2020.

This report 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, and the Council and its management, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Moran & Smith LLP*

Moran & Smith LLP  
February 15, 2022  
Tallahassee, Florida

**MANAGEMENT LETTER IN ACCORDANCE WITH  
RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Council Members of  
Apalachee Regional Planning Council:

**Report on the Financial Statements**

We have audited the financial statements of the Apalachee Regional Planning Council (the “Council”) as of and for the fiscal year ended September 30, 2020 and have issued our report thereon dated February 15, 2022.

**Auditors’ Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, *Rules of the Florida Auditor General*.

**Other Reports and Schedule**

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants’ Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated February 15, 2022, should be considered in conjunction with this management letter.

**Prior Audit Findings**

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no such findings in the preceding annual financial audit report.

**Official Title and Legal Authority**

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The name or official title and legal authority of the primary government was disclosed in the notes to the financial statements. There were no component units.

**MANAGEMENT LETTER IN ACCORDANCE WITH  
RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**  
*(concluded)*

**Financial Condition**

Section 10.554(1)(i)5.a., and 10.556(7) *Rules of the Auditor General*, requires that we report the results of our determination as to whether or not the Council has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the Council did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor the Council's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

**Annual Financial Report**

Section 10.554(1)(i)5.b. and 10.556(7) *Rules of the Auditor General*, requires that we report the results of our determination as to whether the annual financial report for the Council for the fiscal year ended September 30, 2020, filed with Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2020. In connection with our audit, we determined that these two reports were in agreement.

**Other Matters**

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

**Purpose of this Letter**

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

*Moran & Smith LLP*

Moran & Smith LLP  
February 15, 2022  
Tallahassee, Florida