

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

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INDEPENDENT AUDITOR'S REPORT

To the Council Members of
South Florida Regional Planning Council

We have audited the accompanying financial statements of the governmental activities and each major fund of the South Florida Regional Planning Council (the "Council"), as of and for the year ended September 30, 2006. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Council as of September 30, 2006, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 16, 2007, on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on

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INDEPENDENT AUDITOR'S REPORT - Continued

compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 8 and 23, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements taken as whole. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.550, Rules of the Auditor General, and is also not a required part of the basic financial statements of the Council. Also, the Supplemental Schedules of Revenues, Expenditures and Changes in Fund Balance by Project are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

S. Davis & Associates, P.A.

Hollywood, Florida
February 16, 2007

SOUTH FLORIDA REGIONAL PLANNING COUNCIL MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Council's financial statements presents management's analysis of the Council's financial performance during the fiscal year ended September 30, 2006. It is presented to enhance the usefulness of the Council's basic financial statements. Please read this narrative in conjunction with the financial statements, which follow this section.

Financial Highlights

- The assets of the Council as reported in the government-wide financial statements exceeded their liabilities as of September 30, 2006 by \$12,074,758 (net assets). This amount represents an increase of \$2,404,993 or 25% over the prior year. Of the total net assets, \$893,737 (unrestricted net assets) maybe used to meet the ongoing obligations of the Council.
- As of September 30, 2006, the Council's governmental funds financial statements, reported combined ending fund balances of \$11,860,910 an increase of \$2,373,001 or 25% over the prior year due to other source of financing from the Department of Office of Tourism, Trade and Economic Development.
- A total of \$286,250 in provisions for loan loss was recorded for the year ended September 30, 2006.

Overview of the Financial Statements

The Council's basic financial statements consist of: 1) *government-wide statements*, 2) *fund financial statements*, and 3) *notes to the financial statements*. Other supplementary information is also included in the report.

Required Basic Financial Statements

The Council utilizes a governmental fund for its financial reporting purposes. As the Council only presents financial information using a governmental fund, the Council has elected to present its government-wide statements and fund statements in one set of statements with an adjusting column reconciling the two different sets of statements.

The *government-wide financial* statements include the Statement of Net Assets and the Statement of Activities, which provide information about the activities of the Council as a whole and present a longer-term view of the Council's finances.

These two statements report the net assets of the Council and changes in them. You can think of the Council's net assets - the difference between assets and liabilities - as one way to measure financial health or financial position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating. However, to assess the overall financial position of the Council, you will need to consider other non-financial factors, such as the condition of the Council's capital assets, the addition or termination of grants and other revenue sources, and the expansion or contraction of programs and services.

SOUTH FLORIDA REGIONAL PLANNING COUNCIL MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

Overview of the Financial Statements - Continued

The Council reports this information using the accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about its activities. The statement of net assets includes all of the Council's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Council creditors (liabilities).

All of the current year's revenues and expenses are accounted for in the statement of activities. This statement presents information showing how the Council's net assets changed during each fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (for example, uncollected contract and grant revenues, and earned, but unused vacation leave).

Both the *statement of net assets* and the *statement of activities* of the government-wide financial statements distinguish functions of the Council that are principally supported by federal, state and local grants and membership assessments. The Council's activities include administration function and long-range regional planning goals, and various revolving loan program services function. The long-range regional planning goals function is comprised of a wide array of services including strategic plan development and comprehensive plan review, development of regional impact review and providing technical assistance and expertise in a number of fields including transportation, economic development, geographic information services, affordable housing, emergency preparedness, land use, and natural resources planning. All activities of the Council are considered to be governmental activities.

Fund Financial Statements

Fund financial statements tell how the Council's 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 statements by providing information at the individual fund level. The Council utilizes two funds to account for its activities, the general and revolving loan funds. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. The Special Revenue Fund is used to account for revenues derived from specific sources, which are usually required by law or regulation to be accounted for in separate funds. As of September 30, 2006, the Revolving Loan Funds (RLF, RLF II, Rescue, EPA and the Small Business Emergency Bridge Loan) are included in this fund type. 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 fund statements provide a detailed short-term view of the Council's operations and the basic services it provides. Governmental fund information helps you determine whether there are more or less financial resources that can be spent in the near future to finance the Council's operations. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and Statement of Activities) and governmental funds in a reconciliation as discussed above.

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential for a full understanding of the information provided in the government-wide and fund financial statements.

Financial Analysis

Government- Wide Analysis

The Government-wide statements report the Council's net assets and how they have changed. Table A-1 presents net assets 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 of the Council begins below. This is the third year that the Council is presenting government-wide statements; therefore, comparison to the prior year is being shown below.

A summary of the Council's statement of net assets is presented in Table A-1.

Table A-1

Condensed Statement of Net Assets (in thousands of dollars)

	2006	2005
Current assets, net of loans receivable, net	\$ 6,151	\$ 6,266
Loans receivable, net	7,332	3,918
Capital assets, net of depreciation	297	320
Non-current assets	38	46
Total assets	<u>13,818</u>	<u>10,550</u>
Current liabilities	1,661	743
Noncurrent liabilities	83	138
Total liabilities	<u>1,744</u>	<u>881</u>
Nets assets:		
Invested in capital assets	297	320
Restricted	10,884	8,423
Unrestricted	893	926
Total net assets	<u>\$ 12,074</u>	<u>\$ 9,669</u>

As noted earlier, net assets may serve over time as a useful indicator of the Council's financial position. As of September 30, 2006, the Council's total assets exceeded its total liabilities by \$12.074 million, an increase of \$ 2.405 million from the prior year. Restricted net assets increased by \$2.461 million or 29.55% when compared to 2005 figure of \$8.423 million. The outstanding

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**

Financial Analysis - Continued

balance of loans receivable, net of allowance for doubtful accounts, amounted to \$7.3 million, which includes about \$0.7 million loan extended by the Council to a limited partnership under the Department of Environmental Protection Agency revolving loan fund program in 2004. \$0.08 million was also extended to the limited partnership in 2005. In 2006, The Small Business Emergency Bridge provided temporary working capital to established small businesses affected by Hurricane Wilma. The amounts extended were \$4,654,764 to Broward County businesses, \$2,934,440 to Dade County businesses and \$883,000 to Monroe County businesses in loans.

Unrestricted net assets at September 30, 2006, amounted to approximately \$0.9 million. The Council used about \$556 thousand in 2006 as "matching funds" from its unrestricted net assets to cover expenditures incurred in development and review of programs it administered. Among these programs is the Florida Department of Community Affairs (DCA) program. The Council's 2006 revenues were sufficient to cover the expenses for various programs where the Council was putting up its funds.

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

Table A-2

Condensed Statement of Activities (in thousands of dollars)

	<u>2006</u>	<u>2005</u>
Revenues:		
Membership assessments	\$ 755	\$ 746
Federal, State and local grants	3,331	2,562
D.R.I. Fees	142	125
Interest	199	359
Other income	98	160
Total revenues	<u>4,525</u>	<u>3,592</u>
Expenses:		
Current:		
Comprehensive planning:		
Personnel services	2,009	1,961
Operating expenses	2,536	2,071
Depreciation and amortization	50	65
Total expenses	<u>4,595</u>	<u>4,097</u>
Other financing sources (uses):		
Wilma bridge loan fund/net	2,747	
Operating transfer in	252	84
Operating transfers out	(524)	(84)
Net other financing sources (uses)	<u>2,475</u>	<u> </u>
Change in net assets	2,405	(145)
Net assets, beginning of year	9,669	9,815
Net assets, end of year	<u>\$ 12,074</u>	<u>\$ 9,670</u>

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**

Financial Analysis - Continued

The Council's total revenue for the fiscal year ended September 30, 2006 increased by \$573,000 or 12.66% mainly due to loans receivable and available funds transferred from a nonprofit corporation to the Council in 2005. In 2006, the Council's total revenue is \$4.5 million, which is on target prior to 2005. Spending for outside consulting fees for the current year amounted to about \$1.6 million or 34.41 % of the total expenses. The Council's total expenses increased by about \$498 thousand or 12.2 %. In addition to the consulting fees, the Council's personnel services increased by about \$103 thousand or 5.0 % due to raises and new hires.

Capital Assets and Debt Administration

At the end of the year, the Council had about \$297 thousand in fixed assets net of accumulated depreciation of about \$176 thousand. Total additions to capital assets for the year amounted to about \$28 thousand.

The Council does not have any long-term debt related to its capital assets and does not like to incur any 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 assets 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, budgets were approved at the Council meetings on September 12, 2005, amended on July 10, 2006, September 11, 2006 and October 6, 2006 for correction and change in format to the September 11, 2006 amendment. The amendments effectively approve any expenditure that had already been incurred that exceeded its original budgeted amount. The primary reasons for amending the original budget are to account for unanticipated changes and pass through grants in both revenues and expenditures and to prevent compliance violations under the grants.

Economic Factors and Next Year's Budget

The Council's grants 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 2006, various factors such as, delivering at least the same level of expertise in 2006 and adding significant programs were being considered.

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**

Requests for Information

This financial report is designed to provide a general overview of the Council's finances for all those with interest in its financial position. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, 3440 Hollywood Boulevard, Suite 140, Hollywood, Florida 33021.

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
BALANCE SHEETS/STATEMENT OF NET ASSETS**

September 30, 2006

	<u>Major Funds</u>				<u>Statement of</u>
	<u>General</u>	<u>Revolving</u>	<u>Total</u>	<u>Adjustments</u>	<u>Net Assets</u>
	<u>Fund</u>	<u>Loan Fund</u>			
ASSETS					
Cash and cash equivalents	\$ 225,732	\$ -	\$ 225,732	\$ -	\$ 225,732
Investments	326,386	-	326,386	-	326,386
Receivables:					
Contract and grant receivables	1,115,889	-	1,115,889	-	1,115,889
Deposits and other assets	38,050	-	38,050	-	38,050
Due from revolving loan fund	91,809	-	91,809	(91,809)	-
Restricted assets:					
Cash and cash equivalents	540,081	3,849,793	4,389,874	-	4,389,874
Loans receivable, net	-	7,332,499	7,332,499	-	7,332,499
Interest receivable on loans	-	93,106	93,106	-	93,106
Property and equipment - net	-	-	-	297,178	297,178
Total Assets	\$ 2,337,947	\$11,275,398	\$ 13,613,345	205,369	13,818,714
LIABILITIES AND FUND BALANCES/NET ASSETS					
Liabilities					
Accounts payable and other					
accrued expenses	\$ 438,906	\$ 299,746	\$ 737,842	-	737,842
Payable to pension plan	5,345	-	5,345	-	5,345
Accrued salaries	28,608	-	28,608	-	28,608
Compensated absences	-	-	-	83,330	83,330
Due to general fund	-	91,809	91,809	(91,809)	-
Deferred revenue	888,831	-	888,831	-	888,831
Total Liabilities	1,361,690	391,555	1,752,435	(8,479)	1,743,956
Fund Balances					
Reserved for revolving loan program	-	10,883,843	10,883,843	(10,883,843)	-
Unreserved	977,067	-	977,067	(977,067)	-
Total fund balances	977,067	10,883,843	11,860,910	(11,860,910)	-
Total liabilities and fund balances	\$ 2,338,757	\$11,275,398	\$ 13,613,345		
Net Assets					
Investment in capital assets, net of related debt				297,178	297,178
Restricted for loan program				10,883,843	10,883,843
Unrestricted				893,737	893,737
Total Net Assets				\$ 12,074,758	\$ 12,074,758

See accompanying notes to financial statements.

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2006

	Major Funds				
	General Fund	Revolving Loan Fund	Total	Adjustments	Statement of Activities
Revenues					
Membership assessments	\$ 755,332	\$ -	\$ 755,332	\$ -	\$ 755,332
Federal, state and local grants	3,208,788	122,222	3,331,010	-	3,331,010
D.R.I. fees	141,602	-	141,602	-	141,602
Interest	40,665	158,306	198,971	-	198,971
Other income	53,990	43,903	97,893	-	97,893
Total revenues	<u>4,200,377</u>	<u>324,431</u>	<u>4,524,808</u>	<u>-</u>	<u>4,524,808</u>
Expenditures					
Current:					
Comprehensive planning:					
Personnel services	1,826,005	237,119	2,063,124	(54,493)	2,008,631
Operating expenses	2,154,679	381,046	2,535,725	-	2,535,725
Depreciation and amortization	-	-	-	50,571	50,571
Capital expenditures	28,070	-	28,070	(28,070)	-
Total expenditures	<u>4,008,754</u>	<u>618,165</u>	<u>4,626,919</u>	<u>(31,992)</u>	<u>4,594,927</u>
Excess (deficiency) of revenues over expenditures	191,623	(293,734)	(102,111)	31,992	(70,119)
Other financing sources (uses):					
Wilma bridge loan fund/ net		2,747,100	2,747,100	-	2,747,100
Operating transfers in	233,495	18,364	251,859	-	251,859
Operating transfers out	(512,998)	(10,848)	(523,846)	-	(523,846)
Net other financing sources (uses)	<u>(279,503)</u>	<u>2,754,616</u>	<u>2,475,112</u>	<u>-</u>	<u>2,475,112</u>
Change in fund balance/net assets	(87,880)	2,460,882	2,373,001	31,992	2,404,993
Fund balance/net assets at beginning of year	<u>1,064,948</u>	<u>8,422,961</u>	<u>9,487,909</u>	<u>181,856</u>	<u>9,669,765</u>
Fund balance/net assets at end of year	<u>\$ 977,068</u>	<u>\$ 10,883,843</u>	<u>\$ 11,860,910</u>	<u>\$ 213,848</u>	<u>\$12,074,758</u>

See accompanying notes to financial statements.

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Reporting Entity

South Florida Regional Planning Council (the "Council") is a regional governmental planning and coordinating agency formed in September 1969, in accordance with Chapter 186 of the Florida Statutes to provide policy analysis and comprehensive planning services in such areas as housing, emergency management, economic development, water management, transportation and other matters having direct regional impact. The membership of the Council presently consists of Broward, Miami-Dade and Monroe counties.

The Council maintains separate management control and accountability. The governing board of the Council is composed of elected officials from the member counties, elected officials from city governments in the geographic area covered by the Council, and gubernatorial appointees from the geographic area covered by the Council.

The financial reporting entity for which the accompanying financial statements are prepared includes the Council (primary government) and its component unit, which is an entity for which the Council is financially accountable. The Council is financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's body and either is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens, on the Council. The Council may also be financially accountable for organizations that are fiscally dependent on it.

Component Unit:

The Institute for Community Collaboration (the "Institute") was formed as a nonprofit Section 501(c)(3) corporation to provide services, training and research in the field of public policy, conflict prevention and resolution. The Institute is a component unit of the Council since the Council's Board of Directors appoints the five members of its governing board and has the ability to impose their will on the board. It qualifies as a blended component unit and so data from the Institute is combined with data of the Council. The Institute does not issue stand-alone financial statements.

b. 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, 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 assets and the statement of changes in net assets (statement of activities)) report information on all of the activities of the Council. Governments typically report activities as either

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

b. Government-Wide and Fund Financial Statements - Continued

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. Taxes 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.

The Council has only governmental activities and only one function. As such, the government-wide financial statements are presented together with the governmental fund financial statements, with an adjustment column presented to reconcile the two sets of statements.

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:

- a.) General Fund – used to account for all financial resources except those required to be accounted for in another fund.
- b.) Special Revenue Fund – used to account for revenues derived from specific sources, which are usually required by law or regulation to be accounted for in separate funds. The Revolving Loan Fund ("RLF") is included in this fund type. RLF is used to account for revolving loan funds from the Department of Commerce through the Economic Development Administration ("EDA"), the Environmental Protection Agency ("EPA") and the Small Business Emergency Bridge Loan. The EDA RLF is used to provide loans

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

b. Government-Wide and Fund Financial Statements - Continued

b.) to small and medium size businesses located within Miami-Dade, Broward and Monroe Counties which cannot obtain conventional financing. The EPA RLF is used to fund loans on qualified, suitable market-ready Brownsfield sites to appropriate developers and buyers (for-profit and non-profit developers or local governments). The loan fund will assist in the remediation activities required for site cleanup that will allow redevelopment projects to go forward. The primary target areas for loans are the eastern portion of Miami-Dade, Broward and the Palm Beach Counties. The Small Business Emergency Bridge Loan was used to provide temporary working capital to established small businesses in Monroe, Miami-Dade, and Broward Counties that experienced adverse impacts as a result of Hurricane Wilma and are experiencing difficulty surviving or continuing business operation.

c. 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 modified accrual basis of accounting under which revenues are recorded when measurable and available to finance operations during the current period. Revenues of the Council are recorded in the accounting period in which they are earned. Expenditures are recorded when obligations are incurred, except for expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due.

Government-wide Financial Statements – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded 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.

d. Cost Allocation

Expenses incurred in relation to specific grants or contracts are charged directly to grants or contracts. All other expenses are charged to the general fund and allocated to active grants or contracts on the basis of direct salary charges to total direct salaries, plus allocated fringe benefits. This policy is consistent with the principles of Office of Management and Budget ("OMB") Circular A-87.

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

e. 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 modified 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. Appropriations lapse at the end of each fiscal year.

f. 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, general liability and automobile insurance coverage through the Florida Municipal Insurance Trust Fund of the Florida League of Cities, Inc. The Council obtained, from third party insurers, employee group life and disability insurance.

g. 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.

h. 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.

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

i. Assets, Liabilities and Net Assets

1. 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.

2. Investments

Investments are stated at fair value.

3. 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.

4. 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 expenditure.

5. 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.

6. 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 assets. 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.

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

i. Assets, Liabilities and Net Assets - Continued

7. Reserves for the Revolving Loan Program

Reserves for the Revolving Loan Program are defined as total restricted assets intended to be used for providing loans to finance business development activities consistent with local economic strategies for the Special Economic Development and Assistance Program, Long-Term Economic Deterioration Revolving Loan Fund, and Clean Cities programs.

8. Compensated Absences

The Council's policy is to permit regular employees to accumulate earned and unused vacation pay benefits up to 160 hours of vacation time. The liability for accumulated vacation hours is reflected in the statement of net assets.

9. Due To and From Other Funds

Interfund receivables and payables arise from interfund transactions and are recorded by funds affected in the period in which transactions are executed.

10. Deferred Revenues

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

11. Income Taxes

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

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2006

NOTE 2 - CASH AND INVESTMENTS

At September 30, 2006, the Council's cash and investments consisted of the following:

Cash and cash equivalents – Unrestricted	
Demand deposits, money market and petty cash	\$ 225,732
Pooled investment fund - Florida State Board of Administration	<u>\$ 326,386</u>
 Cash and cash equivalents – Restricted	
Special Economic Development and Assistance (EDA) Programs	
Long-Term Economic Deterioration Revolving Loan Fund (RLF) I	1,511,431
Special EDA Programs Long Term Economic Deterioration RLF II	426,916
Special EDA Programs Long-Term Economic Deterioration RLF (Rescue)	1,575,318
Clean Cities Grants	36,326
Small Business Emergency Bridge Loan Proceeds	335,722
Brownfield's Revolving Loan Fund	406
Watershed Grants	<u>503,755</u>
Total restricted cash and cash equivalents	<u>\$ 4,389,874</u>

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

Investments

The Council participates in the State's pooled cash program. Under the program, the State invests the cash of participating entities in a Local Government Surplus Trust Fund administered by the Florida State Board of Administration, repurchase agreements, certificates of deposit, U.S. Treasury Bills and other U.S. government obligations. Pooled investments are carried at cost plus accrued interest, which approximates market value.

Interest earned on the investments is allocated to the various participants based upon their equity balance in pooled cash and investments during the allocation period. Investments owned in the pooled cash program are in the name of the Council. At September 30, 2006, the Council had \$326,386 in equity in the pool.

The Council's and the State's investment practices are governed by Chapters 125 and 280 of the Florida Statutes. All time and demand deposits are held in banking institutions approved by the State Treasurer of the State of Florida, to hold public funds. Under Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act," the State Treasurer requires all qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral having a

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2006

NOTE 2 - CASH AND INVESTMENTS - Continued

Investments - Continued

market value equal to an amount from 50% to 125% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held.

The percentage of eligible collateral (generally, U.S. Government and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its financial condition. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. Therefore, for the purpose of disclosure in accordance with Government Accounting Standards Board (GASB) Statement No. 40, such deposits are fully insured and collateralized and present no custodial risk.

Restricted Cash

The Special Economic Development and Assistance Programs Long-Term Economic Deterioration Revolving Loan Funds restricted cash represent funds available to be loaned to finance business development activities consistent with local economic development strategies. Clean Cities and Small Business Emergency Bridge Loan restricted cash represent funds withheld for the State, to be refunded at program completion, and limited administrative cost for the Council's facilitation of program.

NOTE 3 - LOANS RECEIVABLE/ALLOWANCE FOR LOAN LOSSES

In August 2000, the U.S. Department of Commerce, through the EDA, transferred the administration of Special Economic Development and Assistance Programs, Long-Term Economic Deterioration RLF I to the Council from a local nonprofit organization. The outstanding balance of loans receivable and funds available to the program amounted to \$2,745,569 and \$1,723,623, respectively, and were likewise transferred to the Council.

From the date of the transfer through September 30, 2006, the Council disbursed \$3.8 million in loans, fully collected loans with total principal amount of \$2.3 million and expended \$1.3 million for administrative costs related to management of RLF I.

On February 23, 2004, the U.S. Department of Commerce, through the EDA, signed an Offer to Amend Grant Agreement to transfer the administration of Special EDA Assistance Program Long-Term Economic Deterioration RLF II and Rescue to the Council from a nonprofit corporation. The outstanding balance of loans receivable and funds available to the program amounted to \$1,571,858 and \$2,001,905, respectively, and were transferred to the Council on May 1, 2004.

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2006

NOTE 3 - LOANS RECEIVABLE/ALLOWANCE FOR LOAN LOSSES - Continued

From the date of the transfer through September 30, 2006, the Council disbursed \$555,000 in loans for RLF II and \$475,000 in loans for Rescue, and fully collected loans with a total principal amount of \$650,670 and \$901,337, respectively.

In fiscal 2006, there were loan write-offs from the books of the Council. At September 30, 2006, four loan accounts with a combined outstanding balance of \$494,973 in default were written-off and the Council filed legal actions against the borrowers. The final default judgment has been determined. However, on December 19, 2005, the Council's Loan Administration Board approved an increase in the loan loss rate from 3% of the year-end loan receivable balance to 15%. Accordingly, on September 25, 2006, the Council's Loan Board Administration approved staff recommendation to change the 15% of the outstanding loan receivables to actual loan balance assigned to Counsel for litigation as basis for the allowance for doubtful accounts. As of September 30, 2006, the amount allocated for allowance for doubtful accounts equals \$237,436.

On November 8, 2005, the Council entered into an agreement with the State of Florida Department of Office of Tourism, Trade and Economic Development to administer a loan program for small businesses affected by Hurricane Wilma. Eleven million (\$11,000,000) dollars were released to the Council for small business loans not to exceed twenty-five thousand (\$25,000) per business. The funds were allocated as follows: five million (\$5,000,000) dollars for Broward, five million (\$5,000,000) dollars for Miami-Dade County and one million (\$1,000,000) dollars for Monroe. Eight million four-hundred seventy-two thousand two-hundred four dollars (\$8,472,204) was disbursed to small businesses affected by Hurricane Wilma from the three counties, and the unused portion the fund went back to the State, including interest earned less administrative cost. As of September 30, 2006, the receivable balances were as follows: Broward Small Businesses \$1,389,001, Miami-Dade Small Businesses \$1,144,942 and Monroe Small Businesses \$ 188,577.

NOTE 4 - CAPITAL ASSETS

The following is the summary of changes in capital assets for the year ended September 30, 2006:

Description	Balance September 30, 2005	Additions	Retirement	Balance September 30, 2006
Office furniture and equipment	\$ 325,113	\$ 28,069	\$ -	\$ 353,183
Leasehold improvements	120,109	-	-	120,109
Sub-total	445,222	28,069		473,292
Less accumulated depreciation and amortization	(125,543)	(50,570)	-	(176,113)
Net	\$ 319,679	\$ (22,500)	\$ -	\$ 297,179

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2006

NOTE 5 - EMPLOYEE BENEFIT PLANS

The Council has a qualified defined contribution single employer pension plan (the "Plan") covering substantially all full time employees which were employed by the Council prior to May 1986. The Plan provides for annual contributions by the Council of at least 10% of the total gross wage compensation with no exclusions for each qualified employee. The Plan expense for the year ended September 30, 2006 was \$18,832. At September 30, 2006, the Council's total payroll for eligible employees covered by the Plan was approximately \$191,000.

The Council also participates in the Florida Retirement System (the "System"), a cost-sharing, multiple-employer public retirement system ("PERS"). The System was created in 1970 by consolidating several employee retirement systems. Benefits under the plan vest after six years of service. Employees who retire at or after age 62 with six years of credited service are entitled to an annual retirement benefit, payable monthly for life. The System also provides for death and disability benefits. These benefit provisions and all other requirements are established by State Statutes. All eligible employees, as defined by the State, who were hired after May 1, 1986, are covered by the System.

The System is noncontributory and is totally administered by the State of Florida. The payroll for Council employees covered by the System for the year ended September 30, 2006 was approximately \$1,408,000. The Council's total payroll for the year ended September 30, 2006, was approximately \$1,598,000.

Participating employers are required by Statute to pay monthly contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due. Under the System, the Council was required to contribute 7.83% of the gross salaries with certain exclusion of payments of employees to the Plan as of July 1, 2005. On July 1, 2006, the rate increased to 9.85%. The Council's pension costs for the year ended September 30, 2006, as required and defined by the System, were approximately \$122,000. The Council's contribution represented approximately 8.66% of covered payroll for the year ended September 30, 2006.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS and employers. The System does not make separate measurements of assets and pension benefit obligations for individual employers.

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2006

NOTE 5 - EMPLOYEE BENEFIT PLANS - Continued

Contributions of all participating agencies throughout the State of Florida are pooled to fund accrued benefits under the System. The pension benefit obligation at June 30, 2005, for the System as a whole, estimated through an update of an actuarial valuation performed as of July 1, 2005, was approximately \$103.9 billion. The System's net assets available for plan benefits on that date were \$111.5 billion which resulted in an over funded pension obligation of \$7.6 billion. A portion of the surplus is being used as a contribution rate stabilization technique.

Significant actuarial assumptions used include (a) a rate of return on the investment of present and future assets of 7.75% per year compounded annually; (b) projected salary increases of 6.25% per year compounded annually, attributable to inflation; (c) inflation rate at 3.0%. There were no significant changes made to benefit provisions since the last valuation.

Available ten year historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is published in the State of Florida's Division of Retirement Comprehensive Annual Financial Report, Cedars Executive Center, 2639-C North Monroe Street, Tallahassee, Florida 32399-1560, or by calling (850) 488-5706.

NOTE 6 - COMMITMENTS

The Council conducts its operations from leased premises. The lease, which expires June 30, 2012, calls for a minimum annual rental increases by \$0.50 per rentable square foot. Total rent expense for the year ended September 30, 2006 was \$230,058. Future annual rental payments, including common area maintenance and real estate taxes, required under the lease are as follows:

<u>Year ending September 30,</u>	<u>Amount</u>
2007	\$ 235,674
2008	242,789
2009	249,905
2010	257,021
2011	264,732
Thereafter	263,542
Total	<u>\$ 1,513,663</u>

NOTE 7 - CONTINGENCIES

The Council participates in a number of Federal and State grant programs. These programs 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 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.

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2006**

NOTE 8 – INSTITUTE FOR COMMUNITY COLLABORATION

As described in Note 1, the Institute for Community Collaboration (the "Institute") is a component unit of the Council. Summary financial data for the Institute for the year ended September 30, 2006 is as follows:

Assets	2006
Cash	\$ 47,259
Total assets	<u>47,259</u>
 Liabilities	
Due to the Council	24,828
Total liabilities	<u>24,828</u>
 Net assets	
Unrestricted	<u>\$ 22,431</u>
 Total revenue	58,850
Total expenses	<u>28,841</u>
Change in net assets	30,009
Net assets, beginning of year	4,000
Net assets, end of year	<u>\$ 34,009</u>

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2006

	General Fund			Revolving Loan Fund			Variance Positive (Negative)
	Original	Final	Actual	Original	Final	Actual	
Revenues							
Membership assessments	\$ 755,332	\$ 755,332	\$ 755,332	\$ -	\$ -	\$ -	\$ -
Federal, state and local grants	3,501,093	3,500,757	3,208,788	280,680	267,700	122,222	(145,478)
D.R.I. Fees	155,000	200,000	141,602	-	-	-	-
Interest	24,000	24,000	40,665	-	-	158,306	158,306
Other Income	-	-	53,990	-	-	43,903	43,903
Total revenues	4,435,425	4,480,089	4,200,377	280,680	267,700	324,431	56,731
Expenditures							
Current:							
Comprehensive planning:							
Personnel services	2,116,798	2,116,798	1,826,005	192,942	192,942	237,119	(44,177)
Operating expenses	2,264,877	2,327,291	2,154,679	87,738	74,758	381,046	(306,288)
Capital expenditures	53,750	36,000	28,070	-	-	-	-
Total expenditures	4,435,425	4,480,089	4,008,754	280,680	267,700	618,165	(350,465)
Excess (deficiency) of revenues over expenditures	-	-	191,623	-	-	(293,734)	(293,734)
Other financing sources (uses):							
Wilma Bridge loan funds							
Operating transfers in	-	-	233,495	-	-	2,747,100	2,747,100
Operating transfers out	-	-	(512,998)	-	-	18,364	18,364
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	(87,880)	-	-	-	-
Fund balance at beginning of year	1,064,948	1,064,948	1,064,948	8,422,961	8,422,961	8,422,961	8,422,961
Fund balance at end of year	\$ 1,064,948	\$ 1,064,948	\$ 977,068	\$ 8,422,961	\$ 8,422,961	\$ 10,894,691	\$ 10,894,691

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2006

	GENERAL FUND		
	FHWA State Road 7	DCA Contracts	DCA HMEP
REVENUES:			
MEMBERSHIP ASSESSMENTS	\$ -	\$ -	\$ -
FEDERAL, STATE AND LOCAL GRANTS	521,679	393,200	39,581
D.R.I. FEES	-	-	-
INTEREST	-	-	-
OTHER INCOME / REQUIRED MATCH	-	-	610
TRANSFER (TO)/FROM GENERAL ACCOUNTS	-	268,590	4,603
TOTAL REVENUES	521,679	661,790	44,794
EXPENDITURES:			
CURRENT:			
COMPREHENSIVE PLANNING:			
PERSONNEL SERVICES:			
SALARIES	63,286	295,738	9,562
EMPLOYEE FRINGE BENEFITS	16,977	78,834	2,568
INDIRECT COSTS	31,405	146,563	4,746
TOTAL	111,668	521,135	16,876
OPERATING EXPENSES:			
OUTSIDE CONSULTING FEES	371,800	3,355	23,634
SUPPLIES	444	234	-
PRINTING & REPRODUCTION	-	-	-
COMPUTER USAGE & EQUIPMENT LEASE	50	-	-
TELEPHONE & POSTAGE	61	105	82
TRAVEL	7,892	4,940	-
PUBLICATIONS & ADVERTISING	81	-	-
DUES, FEES & CONFERENCES	1,833	2,308	-
INDIRECT COSTS	27,795	129,713	4,202
LOAN WRITTEN OFF	-	-	-
PROVISION FOR PROBABLE LOAN LOSSES	-	-	-
MISCELLANEOUS	55	-	-
TOTAL	410,011	140,655	27,918
OTHER FINANCING SOURCE / NET	-	-	-
CAPITAL EXPENDITURES	-	-	-
TOTAL EXPENDITURES	521,679	661,790	44,794
CHANGE IN NET FUND BALANCE	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2006

	GENERAL FUND		
	DCA Impact Analysis Model	Town of Davie CRA Project	City of Margate CRA Project
REVENUES:			
MEMBERSHIP ASSESSMENTS	\$ -	\$ -	\$ -
FEDERAL, STATE AND LOCAL GRANTS	56,727	30,609	18,803
D.R.I. FEES	-	-	-
INTEREST	-	-	-
OTHER INCOME / REQUIRED MATCH	-	-	-
TRANSFER (TO)/FROM GENERAL ACCOUNTS	12,976	-	-
TOTAL REVENUES	69,703	30,609	18,803
EXPENDITURES:			
CURRENT:			
COMPREHENSIVE PLANNING:			
PERSONNEL SERVICES:			
SALARIES	30,867	13,423	8,173
EMPLOYEE FRINGE BENEFITS	8,122	3,606	2,194
INDIRECT COSTS	15,256	6,663	4,056
TOTAL	54,245	23,692	14,423
OPERATING EXPENSES:			
OUTSIDE CONSULTING FEES	-	-	-
SUPPLIES	10	(138)	67
PRINTING & REPRODUCTION	-	-	-
COMPUTER USAGE & EQUIPMENT LEASE	-	(72)	-
TELEPHONE & POSTAGE	28	(133)	-
TRAVEL	1,707	740	340
PUBLICATIONS & ADVERTISING	-	-	-
DUES, FEES & CONFERENCES	211	623	383
INDIRECT COSTS	13,502	5,897	3,590
LOAN WRITTEN OFF	-	-	-
PROVISION FOR PROBABLE LOAN LOSSES	-	-	-
MISCELLANEOUS	-	-	-
TOTAL	15,458	6,917	4,380
OTHER FINANCING SOURCE / NET	-	-	-
CAPITAL EXPENDITURES	-	-	-
TOTAL EXPENDITURES	69,703	30,609	18,803
CHANGE IN NET FUND BALANCE	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2006

	GENERAL FUND		
	Community Based Network	Catanese Center FAU	South Dade Watershed SFWMD
REVENUES:			
MEMBERSHIP ASSESSMENTS	\$ -	\$ -	\$ -
FEDERAL, STATE AND LOCAL GRANTS	115,213	84,417	50,000
D.R.I. FEES	-	-	-
INTEREST	-	-	-
OTHER INCOME / REQUIRED MATCH	-	-	-
TRANSFER (TO)/FROM GENERAL ACCOUNTS	7,134	(40,564)	60,306
TOTAL REVENUES	122,347	43,853	110,306
EXPENDITURES:			
CURRENT:			
COMPREHENSIVE PLANNING:			
PERSONNEL SERVICES:			
SALARIES	53,529	19,866	47,164
EMPLOYEE FRINGE BENEFITS	14,365	5,336	12,664
INDIRECT COSTS	26,566	9,861	23,410
TOTAL	94,460	35,063	83,238
OPERATING EXPENSES:			
OUTSIDE CONSULTING FEES	-	-	1,184
SUPPLIES	1,020	-	302
PRINTING & REPRODUCTION	-	-	-
COMPUTER USAGE & EQUIPMENT LEASE	-	-	-
TELEPHONE & POSTAGE	-	-	1,805
TRAVEL	266	62	3,059
PUBLICATIONS & ADVERTISING	156	-	-
DUES, FEES & CONFERENCES	2,904	-	-
INDIRECT COSTS	23,511	8,728	20,718
LOAN WRITTEN OFF	-	-	-
PROVISION FOR PROBABLE LOAN LOSSES	-	-	-
MISCELLANEOUS	30	-	-
TOTAL	27,887	8,790	27,068
OTHER FINANCING SOURCE / NET	-	-	-
CAPITAL EXPENDITURES	-	-	-
TOTAL EXPENDITURES	122,347	43,853	110,306
CHANGE IN NET FUND BALANCE	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2006

	GENERAL FUND		
	Watershed Study	EDA Administration	TITLE III LEPC
REVENUES:			
MEMBERSHIP ASSESSMENTS	\$ -	\$ -	\$ -
FEDERAL, STATE AND LOCAL GRANTS	976,267	55,932	32,478
D.R.I. FEES	-	-	-
INTEREST	753	-	-
OTHER INCOME / REQUIRED MATCH	-	-	-
TRANSFER (TO)/FROM GENERAL ACCOUNTS	-	67,928	-
TOTAL REVENUES	977,020	123,860	32,478
EXPENDITURES:			
CURRENT:			
COMPREHENSIVE PLANNING:			
PERSONNEL SERVICES:			
SALARIES	-	55,742	12,851
EMPLOYEE FRINGE BENEFITS	-	14,973	3,451
INDIRECT COSTS	-	27,670	6,379
TOTAL	-	98,385	22,681
OPERATING EXPENSES:			
OUTSIDE CONSULTING FEES	977,020	-	-
SUPPLIES	-	-	-
PRINTING & REPRODUCTION	-	-	-
COMPUTER USAGE & EQUIPMENT LEASE	-	-	751
TELEPHONE & POSTAGE	-	114	-
TRAVEL	-	698	2,785
PUBLICATIONS & ADVERTISING	-	-	25
DUES, FEES & CONFERENCES	-	175	-
INDIRECT COSTS	-	24,488	5,645
LOAN WRITTEN OFF	-	-	-
PROVISION FOR PROBABLE LOAN LOSSES	-	-	-
MISCELLANEOUS	-	-	591
TOTAL	977,020	25,475	9,797
OTHER FINANCING SOURCE / NET	-	-	-
CAPITAL EXPENDITURES	-	-	-
TOTAL EXPENDITURES	977,020	123,860	32,478
CHANGE IN NET FUND BALANCE	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2006

	GENERAL FUND		
	Broward Transportation Planning Serv	Dade MPOs	Coordinating Council of Broward
REVENUES:			
MEMBERSHIP ASSESSMENTS	\$ -	\$ -	\$ -
FEDERAL, STATE AND LOCAL GRANTS	20,000	31,142	45,972
D.R.I. FEES	-	-	-
INTEREST	-	-	-
OTHER INCOME / REQUIRED MATCH	-	-	-
TRANSFER (TO)/FROM GENERAL ACCOUNTS	(4,419)	16,010	(18,509)
TOTAL REVENUES	15,581	47,152	27,463
EXPENDITURES:			
CURRENT:			
COMPREHENSIVE PLANNING:			
PERSONNEL SERVICES:			
SALARIES	6,856	21,338	12,369
EMPLOYEE FRINGE BENEFITS	1,841	5,732	3,322
INDIRECT COSTS	3,403	10,592	6,140
TOTAL	12,100	37,662	21,831
OPERATING EXPENSES:			
OUTSIDE CONSULTING FEES	-	-	-
SUPPLIES	-	-	-
PRINTING & REPRODUCTION	-	-	-
COMPUTER USAGE & EQUIPMENT LEASE	-	-	-
TELEPHONE & POSTAGE	38	-	-
TRAVEL	432	116	198
PUBLICATIONS & ADVERTISING	-	-	-
DUES, FEES & CONFERENCES	-	-	-
INDIRECT COSTS	3,011	9,374	5,434
LOAN WRITTEN OFF	-	-	-
PROVISION FOR PROBABLE LOAN LOSSES	-	-	-
MISCELLANEOUS	-	-	-
TOTAL	3,481	9,490	5,632
OTHER FINANCING SOURCE / NET	-	-	-
CAPITAL EXPENDITURES	-	-	-
TOTAL EXPENDITURES	15,581	47,152	27,463
CHANGE IN NET FUND BALANCE	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2006

	GENERAL FUND		
	RDSTF Tabletop Exercise	DCA DEP/ Clean Cities	CITI Clean Cities FDOT
REVENUES:			
MEMBERSHIP ASSESSMENTS	\$ -	\$ -	\$ -
FEDERAL, STATE AND LOCAL GRANTS	20,000	34,487	29,099
D.R.I. FEES	-	-	-
INTEREST	-	2,298	-
OTHER INCOME / REQUIRED MATCH	-	-	-
TRANSFER (TO)/FROM GENERAL ACCOUNTS	3,223	3,997	3,297
TOTAL REVENUES	23,223	40,782	32,396
EXPENDITURES:			
CURRENT:			
COMPREHENSIVE PLANNING:			
PERSONNEL SERVICES:			
SALARIES	7,719	17,004	3,529
EMPLOYEE FRINGE BENEFITS	1,971	4,562	948
INDIRECT COSTS	3,792	8,438	1,752
TOTAL	13,482	30,004	6,229
OPERATING EXPENSES:			
OUTSIDE CONSULTING FEES	-	-	24,476
SUPPLIES	894	47	-
PRINTING & REPRODUCTION	-	-	-
COMPUTER USAGE & EQUIPMENT LEASE	-	-	-
TELEPHONE & POSTAGE	-	70	48
TRAVEL	482	2,431	26
PUBLICATIONS & ADVERTISING	-	197	67
DUES, FEES & CONFERENCES	4,910	459	-
INDIRECT COSTS	3,355	7,469	1,550
LOAN WRITTEN OFF	-	-	-
PROVISION FOR PROBABLE LOAN LOSSES	-	-	-
MISCELLANEOUS	100	105	-
TOTAL	9,741	10,778	26,167
OTHER FINANCING SOURCE / NET	-	-	-
CAPITAL EXPENDITURES	-	-	-
TOTAL EXPENDITURES	23,223	40,782	32,396
CHANGE IN NET FUND BALANCE	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2006**

	GENERAL FUND		
	CITI Broward County DPEP	DCA State Funded Subgrant	DCA Coastal Committee
REVENUES:			
MEMBERSHIP ASSESSMENTS	\$ -	\$ -	\$ -
FEDERAL, STATE AND LOCAL GRANTS	46,400	28,489	77,602
D.R.I. FEES	-	-	-
INTEREST	-	-	-
OTHER INCOME / REQUIRED MATCH	-	(689)	-
TRANSFER (TO)/FROM GENERAL ACCOUNTS	(8,017)	(15,776)	33,553
TOTAL REVENUES	38,383	12,024	111,155
EXPENDITURES:			
CURRENT:			
COMPREHENSIVE PLANNING:			
PERSONNEL SERVICES:			
SALARIES	3,746	5,455	24,993
EMPLOYEE FRINGE BENEFITS	1,006	1,465	6,675
INDIRECT COSTS	1,859	2,708	12,391
TOTAL	6,611	9,628	44,059
OPERATING EXPENSES:			
OUTSIDE CONSULTING FEES	28,999	-	23,000
SUPPLIES	-	-	1,120
PRINTING & REPRODUCTION	-	-	-
COMPUTER USAGE & EQUIPMENT LEASE	-	-	-
TELEPHONE & POSTAGE	-	-	139
TRAVEL	236	-	3,079
PUBLICATIONS & ADVERTISING	67	-	-
DUES, FEES & CONFERENCES	824	-	28,791
INDIRECT COSTS	1,646	2,396	10,967
LOAN WRITTEN OFF	-	-	-
PROVISION FOR PROBABLE LOAN LOSSES	-	-	-
MISCELLANEOUS	-	-	-
TOTAL	31,772	2,396	67,096
OTHER FINANCING SOURCE / NET	-	-	-
CAPITAL EXPENDITURES	-	-	-
TOTAL EXPENDITURES	38,383	12,024	111,155
CHANGE IN NET FUND BALANCE	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2006

	GENERAL FUND		
	Florida Dept of Health	SFECC Corridor Study	REMI Software Agreement
REVENUES:			
MEMBERSHIP ASSESSMENTS	\$ -	\$ -	\$ -
FEDERAL, STATE AND LOCAL GRANTS	5,000	96,788	55,000
D.R.I. FEES	-	-	-
INTEREST	-	-	-
OTHER INCOME / REQUIRED MATCH	-	-	-
TRANSFER (TO)/FROM GENERAL ACCOUNTS	(851)	(731)	21,108
TOTAL REVENUES	4,149	96,057	76,108
EXPENDITURES:			
CURRENT:			
COMPREHENSIVE PLANNING:			
PERSONNEL SERVICES:			
SALARIES	1,882	43,528	24,016
EMPLOYEE FRINGE BENEFITS	506	11,507	6,449
INDIRECT COSTS	934	21,534	11,920
TOTAL	3,322	76,569	42,385
OPERATING EXPENSES:			
OUTSIDE CONSULTING FEES	-	-	-
SUPPLIES	-	108	-
PRINTING & REPRODUCTION	-	-	-
COMPUTER USAGE & EQUIPMENT LEASE	-	-	-
TELEPHONE & POSTAGE	-	16	118
TRAVEL	-	306	921
PUBLICATIONS & ADVERTISING	-	-	-
DUES, FEES & CONFERENCES	-	-	22,134
INDIRECT COSTS	827	19,058	10,550
LOAN WRITTEN OFF	-	-	-
PROVISION FOR PROBABLE LOAN LOSSES	-	-	-
MISCELLANEOUS	-	-	-
TOTAL	827	19,488	33,723
OTHER FINANCING SOURCE / NET	-	-	-
CAPITAL EXPENDITURES	-	-	-
TOTAL EXPENDITURES	4,149	96,057	76,108
CHANGE IN NET FUND BALANCE	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2006

	GENERAL FUND		
	The Institute of Community Collaboration	FDOT SR7 Bus Shelter Grant	RDSTF Functional Exercise
REVENUES:			
MEMBERSHIP ASSESSMENTS	\$ -	\$ -	-
FEDERAL, STATE AND LOCAL GRANTS	55,078	5,732	12,815
D.R.I. FEES	-	-	-
INTEREST	-	-	-
OTHER INCOME / REQUIRED MATCH	-	-	-
TRANSFER (TO)/FROM GENERAL ACCOUNTS	11,933	-	(1,321)
TOTAL REVENUES	67,011	5,732	11,494
EXPENDITURES:			
CURRENT:			
COMPREHENSIVE PLANNING:			
PERSONNEL SERVICES:			
SALARIES	23,573	2,534	4,048
EMPLOYEE FRINGE BENEFITS	6,332	681	1,020
INDIRECT COSTS	11,701	1,258	1,983
TOTAL	41,606	4,473	7,051
OPERATING EXPENSES:			
OUTSIDE CONSULTING FEES	15,000	-	-
SUPPLIES	-	-	-
PRINTING & REPRODUCTION	-	-	-
COMPUTER USAGE & EQUIPMENT LEASE	-	-	-
TELEPHONE & POSTAGE	49	-	-
TRAVEL	-	146	1,137
PUBLICATIONS & ADVERTISING	-	-	-
DUES, FEES & CONFERENCES	-	-	1,551
INDIRECT COSTS	10,356	1,113	1,755
LOAN WRITTEN OFF	-	-	-
PROVISION FOR PROBABLE LOAN LOSSES	-	-	-
MISCELLANEOUS	-	-	-
TOTAL	25,405	1,259	4,443
OTHER FINANCING SOURCE / NET	-	-	-
CAPITAL EXPENDITURES	-	-	-
TOTAL EXPENDITURES	67,011	5,732	11,494
CHANGE IN NET FUND BALANCE	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2006

	GENERAL FUND		
	Marine Management Plan Contract	USDA-4161 Biodiesel Education	SFRTA Contract
REVENUES:			
MEMBERSHIP ASSESSMENTS			
FEDERAL, STATE AND LOCAL GRANTS	78,540	379	63,857
D.R.I. FEES	-	-	-
INTEREST	-	-	-
OTHER INCOME / REQUIRED MATCH	-	-	-
TRANSFER (TO)/FROM GENERAL ACCOUNTS	14,117	(310)	7,761
TOTAL REVENUES	92,657	69	71,618
EXPENDITURES:			
CURRENT:			
COMPREHENSIVE PLANNING:			
PERSONNEL SERVICES:			
SALARIES	27,003	32	31,904
EMPLOYEE FRINGE BENEFITS	7,162	9	8,291
INDIRECT COSTS	13,368	16	15,728
TOTAL	47,533	57	55,923
OPERATING EXPENSES:			
OUTSIDE CONSULTING FEES	33,000	-	-
SUPPLIES	-	-	-
PRINTING & REPRODUCTION	-	-	-
COMPUTER USAGE & EQUIPMENT LEASE	-	-	-
TELEPHONE & POSTAGE	158	-	16
TRAVEL	119	-	1,761
PUBLICATIONS & ADVERTISING	-	-	-
DUES, FEES & CONFERENCES	-	-	-
INDIRECT COSTS	11,832	12	13,918
LOAN WRITTEN OFF	-	-	-
PROVISION FOR PROBABLE LOAN LOSSES	-	-	-
MISCELLANEOUS	15	-	-
TOTAL	45,124	12	15,695
OTHER FINANCING SOURCE / NET	-	-	-
CAPITAL EXPENDITURES	-	-	-
TOTAL EXPENDITURES	92,657	69	71,618
CHANGE IN NET FUND BALANCE	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2006

	GENERAL FUND		
	Broward County	DCA	
	Office Eco. Development	Regional Hurricane Eval	RPC
REVENUES:			
MEMBERSHIP ASSESSMENTS	\$ -	\$ -	\$ 755,332
FEDERAL, STATE AND LOCAL GRANTS	25,000	102,500	-
D.R.I. FEES	-	-	-
INTEREST	-	-	-
OTHER INCOME / REQUIRED MATCH	-	-	30,634
TRANSFER (TO)/FROM GENERAL ACCOUNTS	643	(6,469)	(602,647)
TOTAL REVENUES	25,643	96,031	183,319
EXPENDITURES:			
CURRENT:			
COMPREHENSIVE PLANNING:			
PERSONNEL SERVICES:			
SALARIES	1,418	42,886	54,211
EMPLOYEE FRINGE BENEFITS	381	11,451	14,363
INDIRECT COSTS	704	21,261	26,832
TOTAL	2,503	75,598	95,406
OPERATING EXPENSES:			
OUTSIDE CONSULTING FEES	22,500	-	61,414
SUPPLIES	-	43	114
PRINTING & REPRODUCTION	-	-	-
COMPUTER USAGE & EQUIPMENT LEASE	-	-	-
TELEPHONE & POSTAGE	-	51	102
TRAVEL	17	1,223	2,197
PUBLICATIONS & ADVERTISING	-	-	239
DUES, FEES & CONFERENCES	-	299	100
INDIRECT COSTS	623	18,817	23,747
LOAN WRITTEN OFF	-	-	-
PROVISION FOR PROBABLE LOAN LOSSES	-	-	-
MISCELLANEOUS	-	-	-
TOTAL	23,140	20,433	87,913
OTHER FINANCING SOURCE / NET	-	-	-
CAPITAL EXPENDITURES	-	-	-
TOTAL EXPENDITURES	25,643	96,031	183,319
CHANGE IN NET FUND BALANCE	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2006

	GENERAL FUND		
	Current Year Unrestricted	DRI	SUB TOTAL - GENERAL FUND
REVENUES:			
MEMBERSHIP ASSESSMENTS	\$ -	\$ -	\$ 755,332
FEDERAL, STATE AND LOCAL GRANTS	-	-	3,208,786
D.R.I. FEES	-	141,602	141,602
INTEREST	37,615	-	40,666
OTHER INCOME / REQUIRED MATCH	-	23,435	53,990
TRANSFER (TO)/FROM GENERAL ACCOUNTS	(72,616)	(19,662)	(254,713)
TOTAL REVENUES	(35,001)	145,375	3,945,663
EXPENDITURES:			
CURRENT:			
COMPREHENSIVE PLANNING:			
PERSONNEL SERVICES:			
SALARIES	-	65,816	1,036,061
EMPLOYEE FRINGE BENEFITS	-	17,640	276,404
INDIRECT COSTS	-	32,655	513,544
TOTAL	-	116,111	1,826,009
OPERATING EXPENSES:			
OUTSIDE CONSULTING FEES	-	-	1,585,382
SUPPLIES	20	-	4,285
PRINTING & REPRODUCTION	-	96	96
COMPUTER USAGE & EQUIPMENT LEASE	-	-	729
TELEPHONE & POSTAGE	-	-	2,867
TRAVEL	-	268	37,584
PUBLICATIONS & ADVERTISING	-	-	832
DUES, FEES & CONFERENCES	-	-	67,505
INDIRECT COSTS	-	28,900	454,499
LOAN WRITTEN OFF	-	-	-
PROVISION FOR PROBABLE LOAN LOSSES	-	-	-
MISCELLANEOUS	-	-	896
TOTAL	20	29,264	2,154,675
OTHER FINANCING SOURCE / NET	-	-	-
CAPITAL EXPENDITURES	28,070	-	28,070
TOTAL EXPENDITURES	28,090	145,375	4,008,754
CHANGE IN NET FUND BALANCE		-	(63,091)
FUND BALANCE AT BEGINNING OF YEAR	-	-	1,040,158
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ 977,067

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2006

	SPECIAL REVENUE FUND		
	Revolving Loan Fund EPA	Wilma Emergency Bridge Loan	Revolving Loan Fund Rescue EDA
REVENUES:			
MEMBERSHIP ASSESSMENTS	\$ -	\$ -	\$ -
FEDERAL, STATE AND LOCAL GRANTS	26,776	93,896	-
D.R.I. FEES	-	-	-
INTEREST	42,327	-	65,430
OTHER INCOME / REQUIRED MATCH	-	-	15,107.00
TRANSFER (TO)/FROM GENERAL ACCOUNTS	13,220	5,144	-
TOTAL REVENUES	82,323	99,040	80,537
EXPENDITURES:			
CURRENT:			
COMPREHENSIVE PLANNING:			
PERSONNEL SERVICES:			
SALARIES	15,237	43,032	31,179
EMPLOYEE FRINGE BENEFITS	4,093	11,559	8,375
INDIRECT COSTS	7,563	21,360	15,477
TOTAL	26,893	75,951	55,031
OPERATING EXPENSES:			
OUTSIDE CONSULTING FEES	3,990	-	10,416
SUPPLIES	414	2,846	16
PRINTING & REPRODUCTION	-	-	-
COMPUTER USAGE & EQUIPMENT LEASE	-	-	370
TELEPHONE & POSTAGE	72	1,106	217
TRAVEL	1,512	105	695
PUBLICATIONS & ADVERTISING	-	128	1,612
DUES, FEES & CONFERENCES	250	-	1,502
INDIRECT COSTS	6,694	18,905	13,697
LOAN WRITTEN OFF	-	-	-
PROVISION FOR PROBABLE LOAN LOSSES	(269,798)	-	(82,086)
MISCELLANEOUS	174	-	378
TOTAL	(256,692)	23,090	(53,183)
OTHER FINANCING SOURCE / NET	-	(2,747,100)	-
CAPITAL EXPENDITURES	-	-	-
TOTAL EXPENDITURES	(229,799)	(2,648,059)	1,848
CHANGE IN NET FUND BALANCE	312,122	2,747,099	78,689
FUND BALANCE AT BEGINNING OF YEAR	581,389	-	2,312,802
FUND BALANCE AT END OF YEAR	\$ 893,511	\$ 2,747,099	\$ 2,391,491

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2006

	SPECIAL REVENUE FUND		
	Revolving Loan Fund II EDA	Revolving Loan Fund EDA	SUB TOTAL
REVENUES:			
MEMBERSHIP ASSESSMENTS	\$ -	\$ -	\$ -
FEDERAL, STATE AND LOCAL GRANTS	1,000	550	122,222
D.R.I. FEES	-	-	-
INTEREST	17,327	33,222	158,306
OTHER INCOME / REQUIRED MATCH	11,481	17,315	43,903
TRANSFER (TO)/FROM GENERAL ACCOUNTS	-	-	18,364
TOTAL REVENUES	29,808	51,087	342,795
EXPENDITURES:			
CURRENT:			
COMPREHENSIVE PLANNING:			
PERSONNEL SERVICES:			
SALARIES	14,117	30,783	134,348
EMPLOYEE FRINGE BENEFITS	3,789	8,269	36,085
INDIRECT COSTS	7,006	15,280	66,686
TOTAL	24,912	54,332	237,119
OPERATING EXPENSES:			
OUTSIDE CONSULTING FEES	5,836	35,743	55,985
SUPPLIES	16	299	3,591
PRINTING & REPRODUCTION	-	-	-
COMPUTER USAGE & EQUIPMENT LEASE	370	370	1,110
TELEPHONE & POSTAGE	63	423	1,881
TRAVEL	337	598	3,247
PUBLICATIONS & ADVERTISING	710	1,208	3,658
DUES, FEES & CONFERENCES	1,502	1,891	5,145
INDIRECT COSTS	6,201	13,523	59,020
LOAN WRITTEN OFF	100,625	394,348	494,973
PROVISION FOR PROBABLE LOAN LOSSES	(40,792)	143,334	(249,342)
MISCELLANEOUS	704	522	1,778
TOTAL	75,572	592,259	381,046
OTHER FINANCING SOURCE / NET	-	-	(2,747,100)
CAPITAL EXPENDITURES	-	-	-
TOTAL EXPENDITURES	100,484	646,591	(2,128,935)
CHANGE IN NET FUND BALANCE	(70,676)	(595,504)	2,471,730
FUND BALANCE AT BEGINNING OF YEAR	1,133,533	4,384,389	8,412,113
FUND BALANCE AT END OF YEAR	\$ 1,062,857	\$ 3,788,885	\$ 10,883,843

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2006**

	<u>TOTAL</u>
REVENUES:	
MEMBERSHIP ASSESSMENTS	\$ 755,332
FEDERAL, STATE AND LOCAL GRANTS	3,331,009
D.R.I. FEES	141,602
INTEREST	198,972
OTHER INCOME / REQUIRED MATCH	97,893
TRANSFER (TO)/FROM GENERAL ACCOUNTS	-
TOTAL REVENUES	<u><u>4,524,807</u></u>
EXPENDITURES:	
CURRENT:	
COMPREHENSIVE PLANNING:	
PERSONNEL SERVICES:	
SALARIES	1,170,406
EMPLOYEE FRINGE BENEFITS	312,488
INDIRECT COSTS	580,230
TOTAL	<u>2,063,124</u>
OPERATING EXPENSES:	
OUTSIDE CONSULTING FEES	1,641,366
SUPPLIES	7,875
PRINTING & REPRODUCTION	95
COMPUTER USAGE & EQUIPMENT LEASE	1,837
TELEPHONE & POSTAGE	4,752
TRAVEL	40,833
PUBLICATIONS & ADVERTISING	4,491
DUES, FEES & CONFERENCES	72,652
INDIRECT COSTS	513,521
LOAN WRITTEN OFF	494,974
PROVISION FOR PROBABLE LOAN LOSSES	(249,343)
MISCELLANEOUS	2,672
TOTAL	<u>2,535,725</u>
OTHER FINANCING SOURCE / NET	(2,747,100)
CAPITAL EXPENDITURES	50,571
TOTAL EXPENDITURES	<u><u>1,902,320</u></u>
CHANGE IN NET FUND BALANCE	2,622,487
FUND BALANCE AT BEGINNING OF YEAR	<u>9,452,271</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ 12,074,758</u></u>

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
REPORTS REQUIRED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS AND BY OMB CIRCULAR A-133, AND CHAPTER 10.550,*
RULES OF THE AUDITOR GENERAL**

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**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
South Florida Regional Planning Council

We have audited the accompanying financial statements of the governmental activities and each major fund of the South Florida Regional Planning Council (the "Council"), as of and for the year ended September 30, 2006, and have issued our report thereon dated February 16, 2007. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of

**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* – CONTINUED**

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 or other matters with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the members of the Council, management, the Auditor General of the State of Florida and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

S. Davis & Associates, P.A.

Hollywood, Florida
February 16, 2007



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

To the Council Members of
South Florida Regional Planning Council

Compliance

We have audited the compliance of the South Florida Regional Planning Council (the "Council") with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* and the requirements described in the Executive Office of the Governor's *State Projects Compliance Supplement* that are applicable to each of its major federal programs and major state projects for the year ended September 30, 2006. The Council's major federal programs and major state projects are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and major state projects is the responsibility of the Council's management. Our responsibility is to express an opinion on the Council's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Auditor General. Those standards, OMB Circular A-133 and Chapter 10.550, Rules of the 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 and major state project 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. Our audit does not provide a legal determination on the Council's compliance with those requirements.

In our opinion, the Council complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and major state projects for the year ended September 30, 2006.

Member

Florida Institute of Certified Public Accountants
New York State Society of Certified Public Accountants
American Institute of Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB
CIRCULAR A-133 AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL -
CONTINUED**

Internal Control Over Compliance

The management of the Council is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs and state projects. In planning and performing our audit, we considered the Council's internal control over compliance with requirements that could have a direct and material effect on a major federal program and major state project in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program or major state project being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the members of the Council, management, the Auditor General of the State of Florida, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

S. Davis & Associates, P.A.

Hollywood, Florida
February 16, 2007

South Florida Regional Planning Council
Schedule of Expenditures of Federal Awards and State Financial Assistance
For Fiscal Year Ended September 30, 2006

	CFDA/ CSFA#	Contract #	Grant Amount	Expenditures	Loans Receivable	Cash Balance (including cash held by trustee)
FEDERAL AWARDS						
Major Programs						
US Dept. of Commerce - Economic Development Administration						
EDA Revolving Loan Grant	11.307	04-59-03951-01	\$ 3,877,175	\$ 108,909	\$ 2,570,824	1,511,431
EDA Revolving Loan Grant II	11.307	04-59-03952	1,165,138	40,651	650,670	426,916
EDA Revolving Loan Grant - Rescue	11.307	04-39-18019-01	2,431,680	83,935	901,337	1,575,318
			<u>7,473,993</u>	<u>233,495</u>	<u>4,122,832</u>	<u>4,408,509</u>
Federal Highway Administration						
State Road 7 Strategic master Plan	20.205	4150491-14-01 and 02	1,993,500	521,679	-	-
US Department of Transportation - Federal Highway Administration						
Passed through Miami-Dade County-MPO July 1, 2005 to June 30, 2006	20.205		25,000	47,152	-	-
Passed through Homeland Security to State, State to NFRC, NFRC subcontract to SFRPC						
RDSTF Tabletop Exercise	97.007		20,000	23,223	-	-
RDSTF Functional Exercise	97.007	P.O's	12,815	11,494	-	-
			<u>32,815</u>	<u>34,717</u>	<u>-</u>	<u>-</u>
Total Major Programs			<u>9,525,308</u>	<u>837,043</u>	<u>4,122,832</u>	<u>4,408,509</u>
Non-Major Programs						
US Dept. of Commerce - Economic Development Administration						
District Renewal, Planning and Administration	11.305	04-83-05284-01	52,375	123,860	-	-
US Department of Energy						
Passed through Florida Department of Environmental Protection	81.119	04-SE-4U-11-23-21-460	20,000	40,782	-	-
US Environmental Protection Agency						
Eastward Hol Brownfields	66.811	BP984511-98-2	600,000	-	-	-
Brownfields Revolving Loan Fund	66.811	BL974-34201-0	2,200,000	26,776	800,000	-
			<u>2,800,000</u>	<u>26,776</u>	<u>800,000</u>	<u>-</u>
US Department of Transportation						
Passed through the State of Florida Department of Community Affairs Planning and Training Agreement(HMEP)	20.703	04-CP-2E-13-00-21-076	39,581	44,794	-	-
Total Non-Major Programs			<u>2,911,956</u>	<u>236,212</u>	<u>800,000</u>	<u>-</u>
Total Federal Awards			<u>\$ 12,437,264</u>	<u>\$ 1,073,255</u>	<u>\$ 4,922,832</u>	<u>\$ 4,408,509</u>

**South Florida Regional Planning Council
Schedule of Expenditures of Federal Awards and State Financial Assistance
For Fiscal Year Ended September 30, 2006**

	CFDA#/ CSFA#	Contract #	Grant Amount	Expenditures	Loans Receivable	SFRPC Match	Total Expenditures
STATE FINANCIAL ASSISTANCE							
Major Program							
Emergency Bridge Loan Wilma	N/A	OT 06-084	11,000,000	93,896	8,472,204	5,144	8,571,245
			-	29,740	-	-	29,740
			-	328	-	-	328
			<u>11,000,000</u>	<u>123,965</u>	<u>8,472,204</u>	<u>5,144</u>	<u>8,601,313</u>
State of Florida Department of Transportation Community Transportation Initiative - Phase V	55.007	AH928	30,000	33,739	-	26,139	59,877
State of Florida Department of Environmental Protection passed through Miami-Dade County South Dade Watershed Collaborative Plan (DEPportion)	37.039	DEP SFWMD SP529	1,100,000 1,000,000 1,100,000	- 442,050 50,000	- - -	- 8,504 70,924	- 450,554 120,924
			<u>3,200,000</u>	<u>492,050</u>	<u>-</u>	<u>79,428</u>	<u>571,478</u>
South Florida Water Management District South Florida Water, Wastewater and Stormwater Facilities Study	37.039	C-15798	300,000	69,488	-	-	69,488
Total Major Programs			<u>14,530,000</u>	<u>719,241</u>	<u>8,472,204</u>	<u>110,711</u>	<u>9,302,156</u>
Non-Major Programs							
State of Florida Department of Community Affairs Regional Planning Council Agreements							
July 1, 2005 to June 30, 2006	52.006	05-DR-52-13-00-21-011	405,890	135,924	-	375,028	510,952
July 1, 2006 to June 30, 2007	52.006	05-DR-52-13-00-21-011	383,185	174,380	-	-	174,380
			<u>789,075</u>	<u>310,305</u>	<u>-</u>	<u>375,028</u>	<u>685,332</u>
Title III Funds							
July 1, 2003 to June 30, 2004	52.006	04-DR-45-13-00-21-011	-	-	-	3,829	3,829
July 1, 2004 to June 30, 2005	52.006	05-DR-52-13-00-21-011	40,909	33,293	-	4,315	37,608
July 1, 2005 to June 30, 2006	52.006	05-DR-52-13-00-21-011	40,909	8,009	-	-	8,009
			<u>81,818</u>	<u>41,302</u>	<u>-</u>	<u>8,144</u>	<u>49,446</u>
Florida Department of Community Affairs, Division of Emergency Management (pass through) Regional Domestic Task Force	16.007		145,000	-	-	5,064	5,064
DCA- Watershed Plan	N/A	06-DR-65-13-00-22-001	50,000	689	-	-	689
Total Non-Major Programs			<u>1,065,893</u>	<u>352,296</u>	<u>-</u>	<u>388,236</u>	<u>740,532</u>
Total State Financial Assistance			<u>15,595,893</u>	<u>1,071,537</u>	<u>8,472,204</u>	<u>498,946</u>	<u>10,042,687</u>

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

NOTE 1 - GENERAL

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance included herein represents the Federal and State grant activity of the South Florida Regional Planning Council (the "Council").

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Presentation

The information in this schedule is presented in accordance with accounting principles generally accepted in the United States and the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.550, Rules of the Auditor General. Some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

b. Basis of Accounting

The expenditures in the accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance are presented using the accrual basis of accounting. The accrual basis recognizes expenses when they are incurred.

NOTE 3 - CONTINGENCIES

Grant monies received and disbursed by the Council are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed 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. As of February 16, 2007 management is not aware of any material questioned or disallowed costs as a result of grant audits in process or completed; however, the possible disallowance by a governmental agency of any item charged to a program cannot be determined at this time.

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COST
For The Year Ended September 30, 2006**

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:

Unqualified

- Material weakness(es) identified? yes X no
- Reportable condition(s) identified that are not
considered to be material weaknesses? yes X none reported

Noncompliance material to financial statements
noted?

 yes X no

Federal Awards

Internal Control over major programs:

- Material weakness(es) identified? yes X no
- Reportable condition(s) identified that are not
considered to be material weakness? yes X none reported

Type of auditors' report issued on compliance for
major programs:

Unqualified

Any audit findings disclosed that are required to be
reported in accordance with section 510(a) of
Circular A-133?

 yes X no

Identification of major programs:

CFDA Number(s)

Name of Federal Programs

11.307

US Department of Commerce -
Economic Development Administration

20.205

Federal Highway Administration

97.007

US Department of Homeland Security

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

\$ 300,000

Auditee qualified as a low-risk auditee?

 yes X no

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued
For the Year Ended September 30, 2006**

SECTION I - SUMMARY OF AUDITORS' RESULTS - CONTINUED

State Projects

Internal Control over major projects:

- Material weakness(es) identified? yes X no
- Reportable condition(s) identified that are not
 considered to be material weakness? yes X none reported

Type of auditors' report issued on compliance for
major projects:

Unqualified

Any audit findings disclosed that are required to be
reported in accordance with Chapter 10.550, Rules of
the Auditor General.

 yes X no

Identification of major projects:

CSFA Number(s)

Name of State Program or Cluster

37.039

State of Florida Department of
Environmental Protection

55.007

State of Florida Department of
Transportation

N/A

State of Florida – Governor's Office of
Tourism (Florida's Small Business
Emergency "Bridge Loan")

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

\$ 300,000

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued
For the Year Ended September 30, 2006**

**SECTION III - FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE
FINDINGS AND QUESTIONED COSTS**

SUMMARY AND STATUS OF PRIOR YEARS' FINDINGS

PY-04-1 CONDITION

On February 23, 2004, the U.S. Department of Commerce through the EDA, signed an Offer to Amend Grant Agreement to transfer the administration of Special EDA Assistance Program long-Term Economic Deterioration RLF II and Rescue to the Council from a nonprofit corporation. The outstanding balance of loans receivable and funds available to the program amounted to \$1,571,858 and \$2,001,905, respectively, and were transferred to the Council on May 1, 2004.

The loan files transferred to the Council contained checklists of loan documents that were required to be submitted for each loan application, as well as other requirements which must be met in order to qualify under the program. Our review of the loan files transferred to the Council revealed several documents that were missing from the files. Also, we noted that the loan files did not contain documents required under the loan agreement, such as updated insurance policies, annual income tax returns and financial statements.

CRITERIA

Loan administration should include procedures in place that will ensure complete and updated documents are available in the loan files for each borrower.

RECOMMENDATION

We recommend that the Council, based on the checklist of loan documents and the loan agreements, perform an inventory of loan files transferred from the nonprofit corporation to determine important documents that the Council needs to obtain from the nonprofit corporation. We also recommend that the Council take the necessary steps in obtaining the updated documents required under the loan agreement for each borrower.

SOUTH FLORIDA REGIONAL PLANNING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued
For the Year Ended September 30, 2006

PRIOR YEAR'S STATUS

Similar findings were noted for FY 2005. Current insurance certificates were not on file for four of the five loan files tested in which physical collateral was pledged to support outstanding loan balances. In addition, neither current tax returns nor current financial statements were on file for four of eight loan files tested.

MANAGEMENT'S COMMENT

Management concurs. Effective immediately, the Economic Development Specialist and Financial Specialist will ensure that all required and current documents are in files. A checklist has been created to ensure that documents are kept in a particular order. All loan files will be reviewed and all related documentation will be current and filed, by the due date on August 30, 2005.

CURRENT YEAR'S STATUS

Corrections noted.



S. DAVIS & ASSOCIATES, P.A.

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STATE OF FLORIDA REPORTING REQUIREMENTS - MANAGEMENT LETTER

To the Council Members of
South Florida Regional Planning Council

We have audited the financial statements of the South Florida Regional Planning Council (the "Council") as of and for the fiscal year ended September 30, 2006, and have issued our report thereon dated February 16, 2007.

We conducted our audit in accordance with United States generally accepted auditing standards, and *Government Auditing Standards* issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have issued our Independent Auditors' Report on Compliance and Internal Control Over Financial Reporting, Independent Auditors' Report on Compliance and Internal Control over Compliance Applicable to each Major Federal Program and State Project, and Schedule of Findings and Questioned Costs. Disclosures in those reports which are dated February 16, 2007, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.554(1)(h)1.) require that we address in the management letter, if not already addressed in the auditors' report on compliance and internal controls, whether or not recommendations made in the preceding annual financial audit report have been followed. The recommendations made in the preceding annual financial audit report have been corrected.

As required by the Rules of the Auditor General (Section 10.554(1)(h)2.), the scope of our audit included a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Council complied with Section 218.415, Florida Statutes.

Member

Florida Institute of Certified Public Accountants
New York State Society of Certified Public Accountants
American Institute of Certified Public Accountants

**STATE OF FLORIDA REPORTING REQUIREMENTS -
MANAGEMENT LETTER - Continued**

The Rules of the Auditor General (Section 10.554(1)(h)3.) require that we address in the management letter any findings and recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we did not have any such findings.

The Rules of the Auditor General (Section 10.554(1)(h)4.) require disclosure in the management letter of the following matters if not already addressed in the auditors' report on compliance and internal control or schedule of findings and questioned costs and are not clearly inconsequential: (1) violations of laws, rules, regulations, and contractual provisions that have occurred, or are likely to have occurred; (2) improper or illegal expenditures; (3) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (4) failure to properly record financial transactions; and (5) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that came to the attention of the auditor. Our audit disclosed no such matters.

The Rules of the Auditor General (Section 10.554(1)(h)5.) also require 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 and component unit are disclosed in the notes to the financial statements.

As required by the Rules of the Auditor General (Section 10.554(1)(h)6.a.), a statement must be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes. 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.

As required by the Rules of the Auditor General (Section 10.554(1)(h)6.b.), we determined that the annual financial report for the Council for the fiscal year ended September 30, 2006, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(1), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2006.

As required by the Rules of the Auditor General (Section 10.554(1)(h)6.c.) and 10.556(7), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity'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.

This management letter is intended solely for the information of the Members of the Council, management and officials of the Council, and the State of Florida Office of the Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

S. Davis & Associates, P.A.

Hollywood, Florida
February 16, 2007

**SOUTH FLORIDA REGIONAL PLANNING COUNCIL
STATUS OF PRIOR YEARS' MANAGEMENT LETTER COMMENTS
For the Year Ended September 30, 2006**

ML-02-1 FINANCIAL STATEMENT PRESENTATION AND BUDGET POLICY

During our prior year's audit we noted the Council does not maintain its accounting records and internal financial statements in the same format as the audited financial statements, i.e., a presentation wherein accounts of governmental fund types (general and special revenue funds) are grouped and shown separately.

PRIOR YEAR'S STATUS

A similar finding was noted in the current year's audit. Fund reporting was not addressed in the Window's version of the GMS accounting software used by the Council. However, the Council is in the process of implementing a new accounting software package that has the ability to record transactions by fund.

CURRENT YEAR'S STATUS

Corrections noted.