

**CENTRAL CONNECTICUT REGIONAL  
PLANNING AGENCY**

**FINANCIAL STATEMENTS  
AND  
REPORT OF INDEPENDENT  
CERTIFIED PUBLIC ACCOUNTANTS**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2014**

DRAFT 11/18/2014

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
TABLE OF CONTENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	<i>i</i>
MANAGEMENT'S DISCUSSION AND ANALYSIS	1
STATEMENT OF NET POSITION	6
STATEMENT OF CHANGES IN NET POSITION	7
EXHIBIT A – RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS FUND BALANCES TO THE STATEMENT OF NET POSITION	8
EXHIBIT A-1 – COMBINED BALANCE SHEET –GOVERNMENTAL FUNDS	9
EXHIBIT B - RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	10
EXHIBIT B-1 - STATEMENT OF COMBINED REVENUE, EXPENSES AND CHANGES IN FUND BALANCE	11
NOTES TO FINANCIAL STATEMENTS	12
SCHEDULE 1 - SCHEDULE OF BUDGET VS. ACTUAL	21
SCHEDULE 2 - SCHEDULE OF ABBREVIATIONS	22
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	<i>ii</i>
REPORT ON COMPLIANCE WITH REQUIRED APPLICABLE TO EACH MAJOR PROGRAM ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE STATE SINGLE AUDIT ACT	<i>iii</i>
SCHEDULE 3 - SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE	28
STATE FINANCIAL ASSISTANCE PROGRAMS, NOTES TO SCHEDULE	29
STATE FINANCIAL ASSISTANCE PROGRAMS, SCHEDULE OF FINDINGS AND QUESTIONED COSTS	30
REGULATORY SUPPLEMENTAL INFORMATION	31
REGULATORY SCHEDULE 1 - SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS	32
REGULATORY SCHEDULE 2 - COMPUTATION OF INDIRECT COST RATE	34
REGULATORY SCHEDULE 3 - COMPUTATION OF TRANSPORTATION PROJECT GRANTS	35

*Independent Auditor's Report*

Board of Directors  
Central Connecticut Regional Planning Agency

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Central Connecticut Regional Planning Agency, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Central Connecticut Regional Planning Agency's basic financial statements as listed in the table of contents.

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

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

***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Central Connecticut Regional Planning Agency, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 1-5 and 21 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Central Connecticut Regional Planning Agency's basic financial statements. The combining and individual nonmajor fund financial statements and schedule of expenditures of state financial assistance, as required by the State of Connecticut State Single Audit Act, and the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The regulatory schedules on pages 31-35 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the regulatory schedules on pages 31-35 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 05, 2014 on our consideration of Central Connecticut Regional Planning Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Central Connecticut Regional Planning Agency's internal control over financial reporting and compliance.



Maletta & Company  
Certified Public Accountants

Bristol, Connecticut  
November 05, 2014

DRAFT 11/18/2014

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

Our discussion and analysis of Central Connecticut Regional Planning Agency's (CCRPA) financial performance provides an overview of CCRPA's financial activities for the fiscal year ended June 30, 2014. Please review it in conjunction with CCRPA's basic financial statements.

#### FINANCIAL HIGHLIGHTS

- Total net position increased \$73,133 from 2013.
- General Revenues accounted for \$91,166 in revenues or 3.18 percent of all revenues. Program specific revenues in the form of governmental and local grants accounted for \$2,776,520 or 96.82 percent of all revenues.
- CCRPA has no infrastructure.
- CCRPA had \$2,794,553 in expenses related to governmental activities with \$2,776,520, in program revenues to cover the cost of those programs.
- Among the major funds, the ConnDOT and ADA had expenses of \$381,380, and \$1,789,484 respectively.
- CCRPA has no component units.
- CCRPA is considered to be a Regional Planning Agency.

#### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Changes in Net Position (on pages 6 and 7) provide information about the activities of CCRPA as a whole and present a longer-term view of CCRPA's finances. Fund financial statements are on page 11. These statements tell how these services were funded as well as what remains for future services. Fund financial statements also report CCRPA's operations in more detail than the government-wide statements by providing information about CCRPA's most financially significant funds.

#### **Reporting the Agency as a Whole**

##### The Statement of Net Position and the Statement of Changes in Net Position

Our analysis of CCRPA as a whole begins on page 6. One of the most important questions asked about CCRPA's finances is "Is CCRPA as a whole better off or worse as a result of the year's activities?" The Statement of Net Position and the Statement of Changes in Net Position report information about CCRPA as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to accounting used by most private-sector companies. Accrual of the current year's revenues and expenses is taken into account regardless of when cash is received or paid.

*The accompanying notes are an integral  
part of these financial statements*

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

These two statements report the Agency's net position and changes in it. You can think of the Agency's net position, the difference between assets, what the Agency owns, and liabilities, what the Agency owes, as one way to measure the Agency's financial health, or financial position. Over time, increases or decreases in the Agency's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Agency's jurisdiction, the availability of capital projects, and continuing local government support to assess the overall health of the Agency.

**Reporting the Agency's Most Significant Funds**

Fund Financial Statements

Major Funds include the General Fund and ConnDot and ADA reported within the Special Reserve Funds.

Our analysis of the Agency's major funds begins on page 9. These fund financial statements provide detailed information about the most significant funds-not the Agency as a whole. Some funds are required to be established by State law. However, the Board of Directors establishes many other funds to help control and manage money for particular purposes (ex. various federal, state and local project funds). The Agency has only governmental funds.

*Governmental Funds:* The agency's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Agency's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Agency's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Changes in Net Position) and governmental funds in reconciliations on pages 8 and 10.

*Notes to the Financial Statements:* The notes provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements. The notes to the financial statements can be found on pages 12 - 20 of this report.

*Other information:* In addition to the basic financial statements and accompanying notes, this report also presents schedules which can be found on page 21 of this report.

*The accompanying notes are an integral  
part of these financial statements*

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**THE AGENCY AS A WHOLE**

The Agency's total Net Position changed from a year ago, increasing from \$326,921 to \$400,054. Our analysis below focuses on the Net Position (Table 1) and changes in Net Position (Table 2) of the Agency's governmental activities.

**Table 1**

	<u>2014</u>	<u>2013</u>
Current and Other Assets	\$ 650,007	\$ 591,109
Capital Assets	16,445	22,141
Total Assets	<u>666,452</u>	<u>613,250</u>
Long-Term Obligations	-	-
Other Liabilities	266,398	286,329
Total Liabilities	<u>266,398</u>	<u>286,329</u>
Net Investment in Capital Assets	16,445	22,141
Restricted	-	-
Unrestricted	383,609	304,780
Total Net Position	<u>\$ 400,054</u>	<u>\$ 326,921</u>

Net Position of the Agency's activities increased \$73,133. Unrestricted Net Position, the part of Net Position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – increased from \$326,921 to \$400,054 at fiscal year ended June 30, 2014.

**Table 2**

	<u>2014</u>	<u>2013</u>	<u>Total Change</u>
Revenue:			
Program Revenues:			
Operating Grants & Contributions	\$ 2,769,305	\$ 2,370,597	\$ 398,708
Other Revenues	7,215	1,539	5,676
Charges for services	-	-	-
General Revenues			
Operating Grants	91,501	91,500	1
Other Revenues	(335)	5,973	(6,308)
Total Revenues	<u>2,867,686</u>	<u>2,469,609</u>	<u>398,077</u>
Program Expenses: General Government	<u>2,794,553</u>	<u>2,436,970</u>	<u>357,583</u>
Change in Net Position	<u>73,133</u>	<u>32,639</u>	<u>40,494</u>
Ending Net Position	<u>\$ 400,054</u>	<u>\$ 326,921</u>	<u>\$ 73,133</u>

*The accompanying notes are an integral  
part of these financial statements*

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**THE AGENCY'S FUNDS**

Table 3 presents the fund balances of the individual major funds and an analysis of significant changes in the fund balances.

**Table 3**  
Changes in Year End Fund Balance

	2014	2013	Total Change
General	\$ 400,054	\$ 326,921	\$ 73,133
CONDOT	-	-	-
ADA	-	-	-
<b>Total Fund Balances</b>	<b>\$ 400,054</b>	<b>\$ 326,921</b>	<b>\$ 73,133</b>

Table 4 presents a summary of governmental fund revenues for the 2014 and 2013 fiscal years and an analysis of significant changes from the prior year.

**Table 4**  
Total Governmental Fund Revenue

	2014	2013	Total Change
Intergovernmental:			
General Fund and Local Funds	\$ 91,166	\$ 97,473	\$ (6,307)
Special Revenue Funds	2,776,520	2,372,136	404,384
<b>Total</b>	<b>\$ 2,867,686</b>	<b>\$ 2,469,609</b>	<b>\$ 398,077</b>

The \$6,307 decrease in General Fund revenues is attributable to a decrease in local programs. The \$404,384 increase in Special Revenue Funds can be related to the Agency increase in state and federal grants.

*The accompanying notes are an integral  
part of these financial statements*

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

**Final Budget versus Actual Results**

The variance in General Government is attributable to normal operations.

**Capital Assets**

At year end, the Agency had no additional investment of in furniture and fixtures, and the net balance decreased due to normal depreciation for the current year of \$5,696.

**Economic Factors**

The Agency has operated in the Central Connecticut Region since its formation in March 1966. The Agency is currently looking at opportunities to expand program activities to provide additional funding creating efficiency of administrative costs.

**CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the reader with a general overview of the Agency's finances and to demonstrate the Agency's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Agency's finance department.

*The accompanying notes are an integral  
part of these financial statements*

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
STATEMENT OF NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash	\$ 205,762
Investments	151,454
Grant Receivables	292,791
Prepaid Expenses	-
Capital Assets:	
Furniture and Fixtures, net of Depreciation	16,445
Total Capital Assets	16,445
Total Assets	\$ 666,452
<b>Deferred Outflows of Resources</b>	
	\$ -
<b>Liabilities</b>	
Accrued Expenses	\$ 158,412
Accrued Wages	26,479
Compensated Absences	40,584
Payroll Taxes Payable	2,292
Advances From Grantors	6,438
DOT/Reserve	32,193
Long-Term Liabilities:	
Due Within 1 Year	-
Due in More Than 1 Year	-
Total Liabilities	\$ 266,398
<b>Deferred Inflows of Resources</b>	
	\$ -
<b>Net Position</b>	
Net Investment in Capital Assets	16,445
Unrestricted	383,609
Total Net Position	\$ 400,054

*The accompanying notes are an integral  
part of these financial statements*

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
STATEMENT OF CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues Charges for Services	Operating Grants and Contributions	Net (Expense)/ Revenue and Change in Net Position Governmental Activities
<b>Governmental Activities</b>					
General Government	\$ 492,279	\$ (382,956)	\$ -	\$ 125,000	\$ 15,677
ConnDOT	216,272	167,352	-	383,624	-
ADA	1,740,688	49,459	-	1,823,750	33,603
Federal and State Projects	345,314	166,145	-	444,146	(67,313)
Local Government	-	-	-	-	-
Total Governmental Activities	<u>\$ 2,794,553</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,776,520</u>	<u>(18,033)</u>
<b>General Revenues</b>					
					91,501
					436
					(771)
					<u>91,166</u>
					73,133
					<u>326,921</u>
					<u>\$ 400,054</u>

*The accompanying notes are an integral  
part of these financial statements*

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS FUND BALANCES  
TO THE STATEMENT OF NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

Amounts reported for *governmental activities* in the statements of net assets are different because:

Fund Balances - Total Governmental Funds	\$ 383,609
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	16,445
	<hr/>
Net Position of Governmental Activities	<u>\$ 400,054</u>

*The accompanying notes are an integral  
part of these financial statements*

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
BALANCE SHEET – GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	Major Funds			Non-Major Funds		Total Governmental Funds
	General Fund	ConnDOT	ADA	Federal & State Projects	Local Government	
<b>Assets</b>						
Cash	\$ 324,022	\$ 40,808	\$ (22,098)	\$ (136,971)	\$ -	\$ 205,761
Investments	151,454	-	-	-	-	151,454
Grant Receivables	-	(8,615)	157,998	143,409	-	292,792
Prepaid Expenses	-	-	-	-	-	-
Total Assets	\$ 475,476	\$ 32,193	\$ 135,900	\$ 6,438	\$ -	\$ 650,007
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accrued Expenses	\$ 22,512	\$ -	\$ 135,900	\$ -	\$ -	\$ 158,412
Accrued Wages	26,479	-	-	-	-	26,479
Compensated Absences	40,584	-	-	-	-	40,584
Payroll Taxes Payable	2,292	-	-	-	-	2,292
Deferred Revenue	-	-	-	6,438	-	6,438
DOT/Reserve	-	32,193	-	-	-	32,193
Total Liabilities	91,867	32,193	135,900	6,438	-	266,398
<b>Fund Balances</b>						
Unassigned	383,609	-	-	-	-	383,609
Total Fund Balances	383,609	-	-	-	-	383,609
Total Liabilities and Fund Balances	\$ 475,476	\$ 32,193	\$ 135,900	\$ 6,438	\$ -	\$ 650,007

*The accompanying notes are an integral part of these financial statements*

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

Net Change in Governmental Fund Balances	\$	78,829
--	----	--------

Amounts reported for the *governmental activities* in the statement of activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of capital assets is allocated over the estimated useful lives as depreciation expense. In the current period, those amounts are:

Capital Outlays		-
Depreciation Expense		(5,696)

This is the amount by which capital outlays exceeded depreciation in the current period:

		(5,696)
--	--	---------

Change in Net Position of Governmental Activities	\$	73,133
---	----	--------

*The accompanying notes are an integral  
part of these financial statements*

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
STATEMENT OF COMBINED REVENUE, EXPENSES & CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	MAJOR FUNDS			NON-MAJOR FUNDS		Total Governmental Funds
	General	ConnDOT	ADA	Federal and State Projects	Local Government	
<b>Revenue</b>						
Connecticut DOT	\$ -	\$ 383,624	\$ -	\$ -	\$ -	\$ 383,624
ADA Administrative	-	-	136,481	-	-	136,481
ADA Paratransit Services	-	-	1,680,054	-	-	1,680,054
Municipal Contributions	91,501	-	-	-	-	91,501
Interest Income	436	-	-	-	-	436
Federal, State and Local	-	-	-	569,146	-	569,146
Miscellaneous Income	(771)	-	7,215	-	-	6,444
Total Revenue	<u>91,166</u>	<u>383,624</u>	<u>1,823,750</u>	<u>569,146</u>	<u>-</u>	<u>2,867,686</u>
<b>Expenditures</b>						
General Government	108,763	-	-	-	-	108,763
ConnDOT	-	381,380	-	-	-	381,380
ADA	-	-	1,789,484	-	-	1,789,484
Federal and State	-	-	-	509,230	-	509,230
Local Government	-	-	-	-	-	-
Total Expenditures	<u>108,763</u>	<u>381,380</u>	<u>1,789,484</u>	<u>509,230</u>	<u>-</u>	<u>2,788,857</u>
Excess (Deficiency) of						
Revenue Over Expenses	(17,597)	2,244	34,266	59,916	-	78,829
Transfers In	96,426	-	-	-	-	96,426
Transfers Out	-	(2,244)	(34,266)	(59,916)	-	(96,426)
Net Changes in Fund Balance	78,829	-	-	-	-	78,829
<b>Fund Balance, Beginning</b>	304,780	-	-	-	-	304,780
<b>Fund Balance, Ending</b>	<u>\$ 383,609</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 383,609</u>

*The accompanying notes are an integral  
part of these financial statements*

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES**

The summary of significant accounting policies of Central Connecticut Regional Planning Agency (CCRPA) is presented to assist in understanding CCRPA's financial statements. The financial statements and notes are representations of CCRPA's management, who are responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

**Reporting Entity**

CCRPA was formed in March 1966, under the provisions of the Connecticut General Statutes. With the adoption of local ordinances, six municipalities (Berlin, Bristol, New Britain, Plainville, Plymouth and Southington) created the Agency at that time. When the Town of Burlington joined the Agency in 1973, the seven municipality-planning regions as identified in the State Statutes became complete. CCRPA is one of fifteen regional planning organizations in the State of Connecticut.

The State Statutes direct the Agency to prepare a Plan of Conservation and Development for the Region (i.e. adopted/revised 1978, 1986, 1988, 1993 and 2007). The Agency is to make recommendations to its municipalities on inter-municipal or region-wide problems and issues. One of CCRPA's roles is to coordinate the activities of the member municipalities for their mutual benefit and the solution of shared problems.

The accompanying statements of the Agency have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The financial statements include all organizations, activities, and functions that comprise the Agency. Component units are legally separate entities for which the Agency (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the Agency's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the Agency. Using these criteria, the Agency has no component units.

**Government-wide and fund financial statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the nonfiduciary activities of the primary government.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Indirect expenses* are those that are charged to the grants using grantor prescribed BFO rates. *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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*. Major individual governmental funds are reported as separate columns in the fund financial statements.

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Grants and similar items are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within thirty-one days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Grants and entitlements and interest associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available only when the Agency receives cash.

**Fund Accounting**

The Agency uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Agency only uses governmental funds.

**Governmental Funds**

Governmental funds are those through which most governmental functions typically are financed. Governmental funds reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

The Agency reports the following major governmental funds:

The General Fund includes unrestricted resources for support of CCRPA's operations.

The Special Revenue Funds include restricted resources, primarily grants, from federal and state government to support specific programs. CCRPA has two major special revenue funds, ADA and ConnDOT, which are significant to the operations of CCRPA as a whole.

**Revenues-Exchange and Non-Exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Agency, available means expected to be received within thirty-one days of fiscal year-end. Under the modified accrual basis, only interest is considered to be both measurable and available at fiscal year-end. Nonexchange transactions, in which the Agency receives value without directly giving value in return, and which includes grants and donations, are recognized in the fiscal year in which all eligibility requirements have been satisfied.

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Revenues-Exchange and Non-Exchange Transactions (Cont'd)**

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Agency must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the Agency on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must be available before it can be recognized.

**Expenses/Expenditures**

On an accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable.

**Budgetary Process**

The budgetary process is prescribed by provisions of the CCRPA bylaws. The member towns do not impose a requirement on the Agency to follow the budgetary process but the Agency chose to follow a process by an act within their entity's by-laws. The special revenue fund grantors are the major drivers of the budget.

The budget grant amounts are subject to amendment throughout the year. The budgetary control remains with the Agency. Any budgetary modifications are subject to board approval.

The Agency's budgetary process accounts for certain transactions on a basis other than GAAP. The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, equipment purchases are expensed at time of purchase. Under the GAAP basis, equipment purchases over the capitalization threshold are recorded as assets and depreciated over time. Under the GAAP basis, revenue and expenditures are recorded on the modified accrual basis of accounting on the governmental fund statements and on the full accrual basis on the government-wide statements.

**Use of Estimates**

The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Cash and Cash Equivalents**

CCRPA considers all highly liquid monetary investment instruments purchased with a maturity of three months or less to be cash equivalents.

CCRPA maintains cash with FDIC depository banks. The carrying amount at June 30, 2014 was \$205,762 and the bank balance was \$362,363, of which \$108,192 was not covered by FDIC insurance.

CCRPA maintains a short-term investment of \$4,171 with the Connecticut State Treasurer's Short-Term Investment Fund. This investment fund is AAA-rate by the investment community and has a loss reserve account of \$42.2 million. Since the Fund's inception in 1973 no losses have been paid out of reserve account.

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Custodial credit risk has been calculated based on the FDIC limit of \$250,000. Management believes CCRPA is not exposed to significant credit risk on cash balances in excess of FDIC limits.

**Grant Receivables**

Grant receivables represent funds expended under a grant for which revenue has not been received or funds have been requested by CCRPA prior to June 30, 2014. No allowance for doubtful accounts has been established since management considers all amounts collectible.

**Capital Assets**

General capital assets generally result from expenditures in the governmental funds. These assets are reported on the government-wide Statement of Net Position but are not reported in the fund financial statements.

The Agency maintains a capitalization threshold of \$2,500. The Agency does not possess any infrastructure.

The Furniture and fixtures purchased are recorded at cost and are depreciated on a straight line basis over the estimated useful life of the asset which ranges from five to ten years.

**NOTE 2 – INVESTMENTS**

CCRPA maintains investments in certificates of deposit. The investment consisted of the following as of June 30, 2014:

	<u>Cost</u>	<u>Fair Value</u>
Certificate of Deposit	<u>\$ 151,454</u>	<u>\$ 151,454</u>
Total	<u><u>\$ 151,454</u></u>	<u><u>\$ 151,454</u></u>

**NOTE 3 – FAIR VALUE OF FINANCIAL INSTRUMENTS**

Financial Accounting Standards Board (FASB), Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

*Level 1* – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that CCRPA has the ability to access.

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**NOTE 3 – FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)**

*Level 2* – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the assets or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the assets or liability.

*Level 3* – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following table sets forth by level, within the fair value hierarchy, CCRPA's assets at fair value as of June 30, 2014.

		Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		6/30/14		
Certificate of Deposit	\$151,454	\$ 151,454	\$ -	\$ -
Total	\$151,454	\$ 151,454	\$ -	\$ -

**NOTE 4 – GRANT RECEIVABLES**

As of June 30, 2014, the breakdown of receivables were as follows:

<u>Current Year Contracts:</u>	<u>Amounts</u>
ADA	\$ 157,997
ConnDOT	(8,615)
Federal & State Projects	143,409
Total Grant Receivables	\$ 292,791

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**NOTE 5 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Depreciable Assets:				
Furniture & Fixtures	\$ 86,499	\$ -	\$ -	\$ 86,499
Total	<u>\$ 86,499</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 86,499</u>
Accumulated Depreciation:				
Furniture & Fixtures:	\$ 64,358	\$ 5,696	\$ -	\$ 70,054
Total	<u>\$ 64,358</u>	<u>\$ 5,696</u>	<u>\$ -</u>	<u>\$ 70,054</u>

\*Depreciation expense was charged to governmental functions as follows:

General Government	\$ 560
ConnDOT	2,244
ADA	663
Federal & State Projects	2,229
Total	<u>\$ 5,696</u>

**NOTE 6 – ADVANCES FROM GRANTORS**

Advances from grantors represents funds that are received under a grant which have not been expended and are due back to the funding source at any point in time.

**NOTE 7 – DOT/RESERVE**

This represent the First Instance Funding account. This account is available for the cash flow needs of the agency and are state funds advanced by the Connecticut Department of Transportation for planning and utilizing FHWA, FTA, state, and local funds.

**NOTE 8 – REVENUE**

The Agency received its funding from various federal, state and local governmental agencies. Municipal contributions are based on a formula involving municipal land area (25%), net equalized grand list (25%), and population from the U.S. Census (50%). The revenues are as follows:

Berlin	\$ 10,736
Bristol	21,375
Burlington	7,201
New Britain	19,958
Plainville	6,735
Plymouth	6,519
Southington	18,977
	<u>\$ 91,501</u>

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

**NOTE 8 – REVENUE (CONT'D)**

The Agency also received funding from the Connecticut Department of Transportation (ConnDOT), and the Federal Highway Administration through ConnDOT.

The revenue received for the program funded by the Connecticut Department of Transportation consisted of the following:

Federal Highway Administration	\$ 340,999
Connecticut Department of Transportation	<u>42,625</u>
	<u><u>\$ 383,624</u></u>

**NOTE 9 – LEASES**

The Agency adopted a six year lease agreement, with an additional six year option, for its office facility located at 225 North Main Street, Bristol, Connecticut. The lease term expires on December 31, 2018. The minimum lease payments are as follows:

Year Ended June, 30	
2015	\$ 30,180
2016	30,180
2017	30,180
2018	15,090
2019	-
Thereafter	-
	<u><u>\$ 105,630</u></u>

**NOTE 10 – PENSION PLAN**

The Agency offers a voluntary single-employer defined contribution plan with an insurance company. As of June 30, 2014, the pension plan's current membership was six employees. A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participant's benefits that may be allocated to such participant's account. Contributions made by the Agency vest with the employee at the rate of 20% per year after one year; increasing progressively to 100% over the next 5 years, or upon attainment of age 55. An employee who leaves the agency is entitled to his or her contributions and the agency's contribution, if vesting requirements are satisfied, plus interest. The agency must contribute 4% of the employee's gross earnings to the plan. The employee must contribute 3% of his or her gross earnings to the plan. During the fiscal year, the Agency's required and actual contribution was \$16,811. In addition, CCRPA also offers a Section 457 plan that employees can contribute to. Employee participation in this plan is voluntary and CCRPA does not make a matching contribution.

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**NOTE 11 – COMPENSATED ABSENCES**

Employees may accumulate sick leave up to a maximum of seventy (70) working days, or 490 hours. Accumulated days of sick leave are canceled with the termination of employment. Earned days may be accumulated at 1 day per three month period when no sick time is used.

Employees accumulate vacation time based on years of service with the Agency. Vacation time may be accrued up to, but no more than, 179 hours (214 hours for the Executive Director) which shall be paid upon termination.

Professional staff may accrue no more than 35 hours of compensatory time at any given time.

The amount of earned day pay, vacation pay, and compensatory pay at June 30, 2014 was \$40,584.

**NOTE 12 – TRANSFERS**

The following is a summary of transfers in and out for all funds for 2014:

Fund	Transfer In	Transfers Out
General Fund	\$ 144,840	\$ (53,550)
Total General Funds	144,840	(53,550)
Special Revenue Funds:		
ConnDOT	-	-
ADA	-	(33,603)
CEDS	-	(11,376)
Pequabuck River Dam	-	-
R5EPT	-	(812)
SCI Sustainable Communities	-	(4,071)
Regional Buildout Analysis	-	-
CERT	2,478	-
CERT Citizens Corp	-	-
State Grant in Aid	-	(86,155)
FMPP Urban Oaks	-	-
Hazard Mitigation Program	15,737	
Litchfield Hills		(8,823)
EDA Short Term Planning	23,517	
EDA Disaster Relief	11,818	-
Total Special Revenue Funds	<u>53,550</u>	<u>(144,840)</u>
Total General & Special Revenue	<u>\$ 198,390</u>	<u>\$ (198,390)</u>

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

**NOTE 13 – RISK MANAGEMENT**

CCRPA is exposed to various risks of loss related to torts, thefts, damage to and destruction of assets, errors or omissions; injuries to employees; and natural disasters. CCRPA purchases commercial insurance for these risks. There are no significant reductions in insurance coverage from the prior year. CCRPA has had no settlements exceeding insurance coverage for more than eighteen years.

CCRPA provides group health insurance and Medicare Part A & B when available for employees through Anthem Blue Cross/Blue Shield.

Worker's compensation coverage is maintained by paying premiums to Connecticut Interlocal Risk Management Agency. The premium is calculated based upon accident history and administrative costs.

**NOTE 14 – DATE OF MANAGEMENT'S REVIEW**

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of CCRPA through November 05, 2014, the date which the financial statements were available to be issued.

State of Connecticut House Bill 6706 eliminated certain regional planning agencies (RPA) and regional councils of elected officials (CEO) as of January 1, 2015. CCRPA will cease operations on December 31, 2014.

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
SCHEDULE OF BUDGET VS. ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	General Fund & Local Governments				Special Revenue Funds			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenue</b>								
Federal and State Governr	\$ -	\$ -	\$ -	\$ -	\$ 2,823,925	\$ 3,012,416	\$ 2,769,305	\$ (243,111)
Local Government	-	-	-	-	-	-	-	-
Municipal Contributions	91,500	91,500	91,501	1	-	-	-	-
Interest Income	-	-	436	436	-	-	-	-
Service Fees	-	-	-	-	-	-	-	-
Miscellaneous Income	1,000	1,000	(771)	(1,771)	500	500	7,215	6,715
<b>Total Revenue</b>	<u>92,500</u>	<u>92,500</u>	<u>91,166</u>	<u>(1,334)</u>	<u>2,824,425</u>	<u>3,012,916</u>	<u>2,776,520</u>	<u>(236,396)</u>
<b>Expenditures</b>								
General Operations	92,500	92,500	108,763	(16,263)	-	-	-	-
Federal/State Programs	-	-	-	-	2,824,425	3,012,916	2,680,094	332,822
<b>Total Expenditures</b>	<u>92,500</u>	<u>92,500</u>	<u>108,763</u>	<u>(16,263)</u>	<u>2,824,425</u>	<u>3,012,916</u>	<u>2,680,094</u>	<u>332,822</u>
Excess (Deficiency) of Revenue over Expenses	-	-	(17,597)	(17,597)	-	-	96,426	96,426
Transfers In	-	-	96,426	96,426	-	-	-	-
Transfers Out	-	-	-	-	-	-	(96,426)	(96,426)
<b>Fund Balance, Beginning</b>	<u>304,780</u>	<u>304,780</u>	<u>304,780</u>	-	-	-	-	-
<b>Fund Balance, Ending</b>	<u>\$ 304,780</u>	<u>\$ 304,780</u>	<u>\$ 383,609</u>	<u>\$ 78,829</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
SCHEDULE OF ABBREVIATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

ADA	- AMERICANS WITH DISABILITIES ACT
CCRPA	- CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY
CFDA	- CATALOG OF FEDERAL DOMESTIC ASSISTANCE
ConnDOT	- CONNECTICUT DEPARTMENT OF TRANSPORTATION
DEEP	CONNECTICUT DEPARTMENT OF ENERGY & ENVIRONMENTAL PROTECTION
EDA	- U.S. ECONOMIC DEVELOPMENT AGENCY
FDIC	- FEDERAL DEPOSIT INSURANCE CORPORATION
FEMA	- FEDERAL EMERGENCY MANAGEMENT AGENCY
FHWA	- FEDERAL HIGHWAY ADMINISTRATION
FTA	- FEDERAL TRANSPORTATION ADMINISTRATION
HUD	U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
NCUA	- NATIONAL CREDIT UNION ADMINISTRATION
OMB	- U.S. OFFICE OF MANAGEMENT AND BUDGET
OPM	- CONNECTICUT OFFICE OF POLICY AND MANAGEMENT
USDA	U.S. DEPARTMENT OF AGRICULTURE

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

*Independent Auditor's Report*

Board of Directors  
Central Connecticut Regional Planning Agency

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Central Connecticut Regional Planning Agency as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Central Connecticut Regional Planning Agency's basic financial statements, and have issued our report thereon dated November 05, 2014.

***Internal Control over Financial Reporting***

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

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

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Maletta & Company  
Certified Public Accountants

Bristol, Connecticut  
November 05, 2014

**REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE STATE SINGLE AUDIT ACT**

*Independent Auditor's Report*

Board of Directors  
Central Connecticut Regional Planning Agency  
225 North Main Street  
Bristol, CT 06010

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

We have audited Central Connecticut Regional Planning Agency's compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of Central Connecticut Regional Planning Agency's major state programs for the year ended June 30, 2014. Central Connecticut Regional Planning Agency's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its state programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Central Connecticut Regional Planning Agency's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act 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 state program occurred. An audit includes examining, on a test basis, evidence about Central Connecticut Regional Planning Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Central Connecticut Regional Planning Agency's compliance.

## ***Opinion on Each Major State Program***

In our opinion, Central Connecticut Regional Planning Agency, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2014.

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

Management of Central Connecticut Regional Planning Agency, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Central Connecticut Regional Planning Agency's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Central Connecticut Regional Planning Agency's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act**

We have audited the financial statements of Central Connecticut Regional Planning Agency, as of and for the year ended June 30, 2014 and have issued our report thereon dated November 05, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Maletta & Company". The signature is written in a cursive style with a vertical line separating the name from the company name.

Maletta & Company  
Certified Public Accountants

Bristol, Connecticut  
November 05, 2014

DRAFT 11/8/2014

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

STATE GRANTOR/PASS-THROUGH GRANTOR PROGRAM TITLE	STATE GRANT PROGRAM CORE-CT NUMBER	EXPENDITURES
<b>Department Of Environmental Protection</b>		
Pequabuck Alternatives Analysis Report Project	12060-DEP43760-35169	\$ 20,773
<b>Department Of Transportation</b>		
ADA Paratransit Program	12001-DOT5700D-12175	1,790,147
FHWA Project #708-802	12001-DOT5700D-12175	42,625
<b>Office of Policy &amp; Management</b>		
GIS Mapping	11000-OPM20600-13046	78,783
Grant-In-Aid for Regional Planning Agencies	11000-OPM20600-16181	125,000
Total State Financial Assistance		<u>\$ 2,057,328</u>

*See Notes to Schedule*

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
NOTES TO SCHEDULE OF EXPENDITURES OF  
STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

The accompanying schedule of expenditures of state financial assistance includes state grant activity of Central Connecticut Regional Planning Agency under programs of the State of Connecticut for the fiscal year ended June 30, 2014. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including Pequabuck Alternatives Analysis Report Project, ADA Paratransit Program, FHWA & Grant In Aid for Regional Planning Agencies.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Central Connecticut Regional Planning Agency conform to accounting principles generally accepted in the United States of America as applicable to government agencies.

The information in the Schedule of Expenditures of State Financial Assistance is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

**Basis of Accounting**

The expenditures reported on the Schedule of Expenditures of State Financial Assistance are reported on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule of Expenditures of State Financial Assistance.

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
STATE FINANCIAL ASSISTANCE PROGRAMS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

**I. SUMMARY OF AUDITOR'S RESULTS**

*Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency (ies) identified?  Yes  None reported
- Noncompliance material to financial statements noted?  Yes  No

*State Financial Assistance*

Internal control over major programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency (ies) identified?  Yes  None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit finding disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act?

Yes  No

- The following schedule reflects the major programs included in the audit:

<u>State Grantor And Program</u>	<u>State Core-CT Number</u>	<u>Expenditures</u>
<b>Department of Transportation</b>		
ADA Paratransit Program	12001-DOT5700D-12175	\$ 1,790,147

- Dollar threshold used to distinguish between type A and type B programs \$ 200,000

**II. FINANCIAL STATEMENT FINDINGS**

There are no current year Financial Statement Findings.

**III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS**

There were no current year State Financial Assistance Findings or Questioned Costs.

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
REGULATORY SUPPLEMENTAL INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

These regulatory schedules are prepared on a regulatory financial basis not on a GAAP basis (Generally Accepted Accounting Principles). They are intended solely for the information and use of the management, Board of Directors, others within the entity, Connecticut Department of Transportation, the Office of Policy and Management, and state awarding agencies and pass-through entities and are not intended to be and should not be used by anyone other than these specified parties.

The accompanying regulatory schedules 1-3 are not a required part of the financial statements of Central Connecticut Regional Planning Agency. The Regulatory Schedule of Revenue, Expenses and Changes in Fund Balance, the Regulatory Schedule of Computation of Indirect Cost Rate and the Regulatory Schedule of Financial Summary for the State of Connecticut Department of Transportation have been subjected to the auditing procedures applied in the audit of the basic financial statements, including the requirements of OMB 2 CFR Part 225 and, in our opinion, are fairly stated in all material respects, except for the conversion to the regulatory reporting basis, in relation to the basic financial statements taken as a whole.

REGULATORY SCHEDULE 1

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY**  
**REGULATORY SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	SPECIAL FUNDS		
	GENERAL	MAJOR FUNDS	
		DOT	DOT
	General Fund	ConnDOT	ADA
<b>Revenue</b>			
Connecticut DOT / FMHA	\$ -	\$ 383,624	\$ -
ADA Administration	-	-	136,481
ADA Paratransit Services	-	-	1,680,054
Municipal Contributions	91,501	-	-
Interest Income	436	-	-
Federal, State and Local Grants	-	-	-
Service Fees	-	-	-
Miscellaneous Income	(771)	-	7,215
Total Revenue	<u>91,166</u>	<u>383,624</u>	<u>1,823,750</u>
<b>Direct Expenses</b>			
Payroll	46,233	197,479	58,361
Travel and Conferences	9,497	11,342	359
Printing	-	-	-
Consultants	-	-	-
Paratransit Services	-	-	1,680,054
Other Expenses	11,837	7,451	1,914
Total Direct Expenses	<u>67,567</u>	<u>216,272</u>	<u>1,740,688</u>
<b>Indirect Expenses</b>			
(Schedule 1)	41,756	167,352	49,459
Total Indirect Expenses	<u>41,756</u>	<u>167,352</u>	<u>49,459</u>
Total Expenses	<u>109,323</u>	<u>383,624</u>	<u>1,790,147</u>
Excess (Deficiency) of Revenue over Expenses	(18,157)	-	33,603
Transfers In	144,840	-	-
Transfers Out	(53,550)	-	(33,603)
<b>Fund Balance, Beginning</b>	326,921	-	-
<b>Fund Balance, Ending</b>	<u>\$ 400,054</u>	<u>\$ -</u>	<u>\$ -</u>

**REGULATORY SCHEDULE 1 (CONT'D)**  
**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY**  
**REGULATORY SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	SPECIAL REVENUE FUNDS												Total	Total	
	NON-MAJOR STATE & FEDERAL FUNDS														
	EDA	DEEP	DEMHS	HUD	FEMA	FEMA	OPM	OPM	USDA	FEMA	EDA	EDA			
Comprehensive Economic Development Strategy	Region 5 Emergency Planning Team	Region 5 Emergency Planning Team	Community Sustainable Communities	FEMA Response Team	FEMA Citizens Corp Council	State Grant in Aid	Regional GIS Parcel Mapping	FMPF Urban Oaks Farmers Market	Hazard Mitigation Grant Program	Litchfield Hills Hazard Mitigation Plan	Short Term Planning Program	Disaster Recovery Plan	Special Revenue Funds	(Memo Only)	
<b>Revenue</b>															
Connecticut DOT / FMHA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 383,624
ADA Administration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	136,481
ADA Paratransit Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,680,054
Municipal Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	91,501
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	436
Federal, State and Local Grants	20,000	20,773	1,450	70,396	4,000	1,509	125,000	78,783	48,090	-	13,400	23,516	162,229	569,146	569,146
Service Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,444
<b>Total Revenue</b>	<b>20,000</b>	<b>20,773</b>	<b>1,450</b>	<b>70,396</b>	<b>4,000</b>	<b>1,509</b>	<b>125,000</b>	<b>78,783</b>	<b>48,090</b>	<b>-</b>	<b>13,400</b>	<b>23,516</b>	<b>162,229</b>	<b>569,146</b>	<b>2,867,686</b>
<b>Direct Expenses</b>															
Payroll	4,231	8,781	240	35,456	2,968	-	19,025	-	3,040	8,510	2,477	24,965	89,400	199,093	501,166
Travel and Conferences	805	-	194	822	993	-	3,699	-	-	17	-	911	284	7,725	28,923
Printing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paratransit Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,680,054
Other Expenses	-	4,552	-	-	-	1,509	-	78,783	45,050	-	-	-	8,602	138,496	159,698
<b>Total Direct Expenses</b>	<b>5,036</b>	<b>13,333</b>	<b>434</b>	<b>36,278</b>	<b>3,961</b>	<b>1,509</b>	<b>22,724</b>	<b>78,783</b>	<b>48,090</b>	<b>8,527</b>	<b>2,477</b>	<b>25,876</b>	<b>98,286</b>	<b>345,314</b>	<b>2,369,841</b>
<b>Indirect Expenses</b>															
(Schedule 1)	3,588	7,440	204	30,047	2,517	-	16,121	-	-	7,210	2,100	21,157	75,761	166,145	424,712
<b>Total Indirect Expenses</b>	<b>3,588</b>	<b>7,440</b>	<b>204</b>	<b>30,047</b>	<b>2,517</b>	<b>-</b>	<b>16,121</b>	<b>-</b>	<b>-</b>	<b>7,210</b>	<b>2,100</b>	<b>21,157</b>	<b>75,761</b>	<b>166,145</b>	<b>424,712</b>
<b>Total Expenses</b>	<b>8,624</b>	<b>20,773</b>	<b>638</b>	<b>66,325</b>	<b>6,478</b>	<b>1,509</b>	<b>38,845</b>	<b>78,783</b>	<b>48,090</b>	<b>15,737</b>	<b>4,577</b>	<b>47,033</b>	<b>174,047</b>	<b>511,459</b>	<b>2,794,553</b>
Excess (Deficiency) of Revenue															
over Expenses	11,376	-	812	4,071	(2,478)	-	86,155	-	-	(15,737)	8,823	(23,517)	(11,818)	57,687	73,133
Transfers In	-	-	-	-	2,478	-	-	-	-	15,737	-	23,517	11,818	53,550	198,390
Transfers Out	(11,376)	-	(812)	(4,071)	-	-	(86,155)	-	-	-	(8,823)	-	-	(111,237)	(198,390)
<b>Fund Balance, Beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>326,921</b>
<b>Fund Balance, Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 400,054</b>

REGULATORY SCHEDULE 2

**CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY**  
**REGULATORY SCHEDULE OF COMPUTATION OF INDIRECT COST RATE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

---

<b>Direct Payroll</b>	\$ 501,166
<b>Indirect Expenses</b>	
Accounting	11,277
Advertising	115
Agency Insurance	6,010
Bonding	214
Conferences	-
Consultant	-
Depreciation	5,696
Director's Insurance	1,850
Dues & Subscriptions	8,265
Group Insurance	94,753
Legal	-
Life Insurance	1,211
Miscellaneous	1,835
Office Cleaning	3,495
Office Rental	32,753
Payroll	154,169
Payroll Taxes	67,126
Pension & Retirement	16,811
Pension & Retr Adm	
Postage	538
Printing	-
Publications	-
Service Contracts & Equipment Repairs	7,089
Software	3,251
Supplies	2,101
Telephone	5,844
Temporary Help	-
Training	-
Travel	309
	309
Total Indirect Expenses	\$ 424,712

The indirect cost rate is determined by dividing allowable burden, fringe and overhead costs by direct payroll (\$424,712 divided by \$501,166), and is computed to be 84.74%.

REGULATORY SCHEDULE 3

CENTRAL CONNECTICUT REGIONAL PLANNING AGENCY  
 REGULATORY SCHEDULE OF FINANCIAL SUMMARY FOR STATE OF CONNECTICUT  
 DEPARTMENT OF TRANSPORTATION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014

---

	<b>FHWA PROJECT #708-802</b>
<b>Maximum Funds Authorized</b>	
FHWA	\$ 406,247
ConnDOT	50,781
Local	50,781
Total	\$ 507,809
<b>Audited Expenditures</b>	
Direct Salaries	\$ 219,421
Indirect Costs @ 84.74%	185,947
Direct Charges	20,881
Total	\$ 426,249
<b>Distribution of Audited Costs</b>	
FHWA	\$ 340,999
ConnDOT	42,625
Local	42,625
Total	\$ 426,249
<b>ConnDOT Responsibility</b>	
FHWA	\$ 340,999
ConnDOT	42,625
Total	\$ 383,624
Payments Received to June 30, 2014	\$ 382,401
Payments Received After June 30, 2014	55,382
Total Payments Received	\$ 437,783
Due From / (To) ConnDOT	\$ (54,159)