

APALACHEE REGIONAL PLANNING COUNCIL
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

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INDEPENDENT AUDITOR’S REPORT

To the Council Members of
Apalachee Regional Planning Council:

Report on the Audit of the Financial Statements

Qualified and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Apalachee Regional Planning Council (the “Council”), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Council’s basic financial statements as listed in the table of contents.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
General Fund	Unmodified
Revolving Loan Fund	Unmodified
BBHCC Fund	Unmodified

Qualified Opinion on the Governmental Activities

In our opinion, except for the possible effects of the matter described in the Basis for Qualified and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the Council as of September 30, 2025, and the change in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on the General Fund, Revolving Loan Fund, and BBHCC Fund

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the General Fund, Revolving Loan Fund, and BBHCC Fund of the Council as of September 30, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Council and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified audit opinions.

Matter Giving Rise to the Qualified Opinion on the Governmental Activities

As discussed in Note 8 to the financial statements, the Council has not implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Accounting principles generally accepted in the United States of America require recording of an obligation for postemployment benefits other than pensions, which would increase liabilities, decrease net position, and change the expenses in governmental activities. The effects of this departure from accounting principles generally accepted in the United States of America on the governmental activities has not been determined.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Council's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate,

that raise substantial doubt about the Council's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), 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.

Management has omitted the schedule of changes in the Council's total OPEB liability and related ratios that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The accompanying schedule of expenditures of federal awards and schedule of expenditures of state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550, Rules of the Auditor General, and the accompanying schedule of receipts and expenditures of funds related to the Deepwater Horizon Oil Spill, are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards, the schedule of expenditures of state financial assistance, and the schedule of receipts and expenditures of funds related to the Deepwater Horizon Oil Spill 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 September 24, 2026, 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 solely 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 effectiveness of the Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
September 24, 2026

**APALACHEE REGIONAL PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Our discussion and analysis of the Apalachee Regional Planning Council's financial performance provides an overview of the Council's financial activities for the year ended September 30, 2025. Please read it in conjunction with the Council's financial statements, which begin on page 9.

FINANCIAL HIGHLIGHTS

The assets of the Council as reported in the government-wide financial statements exceeded the liabilities as of September 30, 2025, by \$1,649,515 (net position). This amount represents a decrease of \$338,635 from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 9 and 10) provide information about the activities of the Council as a whole and present a longer-term view of the Council's finances. Fund financial statements start on page 11. These statements tell us how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Council's operations in more detail than the government-wide statement by providing information about the Council's most financially significant funds.

Government-Wide Financial Statements

Our analysis of the Council as a whole begins on page 6. The Statement of Net Position and the Statement of Activities report information about the Council as a whole and about its activities in a way that helps explain if the Council as a whole is better off or worse as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

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

Fund Financial Statements

The analysis of the Council's major funds begins on page 11. The fund financial statements provide detailed information about the most significant funds, not the Council as a whole. Some funds are required to be established by State or Federal law. However, the Council establishes other funds to help control and manage money for particular purposes. The Council only has governmental funds.

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

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 15 of this report.

**APALACHEE REGIONAL PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

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

FINANCIAL ANALYSIS

Government-Wide Analysis

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

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

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

	September 30, 2025	September 30, 2024	Increase (Decrease)
Current Assets	\$ 3,497,705	\$ 4,530,380	\$ (1,032,675)
Capital and Right-of-Use Lease Assets, Net	267,589	385,617	(118,028)
Total Assets	<u>3,765,294</u>	<u>4,915,997</u>	<u>(1,150,703)</u>
Deferred Outflows of Resources	<u>338,327</u>	<u>566,728</u>	<u>(228,401)</u>
Current Liabilities	614,939	1,312,334	(697,396)
Long-Term Liabilities	1,395,718	1,921,101	(525,384)
Total Liabilities	<u>2,010,656</u>	<u>3,233,435</u>	<u>(1,222,779)</u>
Deferred Inflows of Resources	<u>443,450</u>	<u>261,140</u>	<u>182,310</u>
Net Position:			
Net Investment in Capital and Right-of-Use			
Lease Assets	6,229	10,978	(4,749)
Restricted	2,320,499	1,704,841	615,658
Unrestricted	<u>(677,213)</u>	<u>272,331</u>	<u>(949,544)</u>
Total Net Position	<u>\$ 1,649,515</u>	<u>\$ 1,988,150</u>	<u>\$ (338,635)</u>

As noted earlier, net position may serve over time as a useful indicator of the Council's financial position. As of September 30, 2025, the Council's total assets exceeded its total liabilities by \$1,649,515, a decrease of \$338,635 from the prior year.

Unrestricted net position at September 30, 2025 and 2024 was approximately \$(677,213) and \$272,331 respectively. The Council's decrease in unrestricted net position was due to a decrease in grant and contract revenue and an increase in restricted net position.

**APALACHEE REGIONAL PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

The Council's net investment in capital assets and right-of-use lease assets was \$6,229 and \$10,978 as of September 30, 2025 and 2024 respectively.

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

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

	September 30, 2025	September 30, 2024	Increase (Decrease)
Revenues			
Program Revenue:			
Charges for Services	\$ 935,574	\$ 2,149,487	\$ (1,213,913)
Operating Grants & Contributions	2,080,850	6,758,936	(4,678,086)
Capital Grants & Contributions	-	-	-
General Revenue:			
Membership Assessments	147,359	87,131	60,228
Interest Income	118,966	113,895	5,071
Miscellaneous Revenues	62,329	34,964	27,365
Total Revenues	<u>3,345,078</u>	<u>9,144,413</u>	<u>(5,799,335)</u>
Expenses			
General Government	1,250,045	1,153,320	96,725
Economic Environment	393,635	587,987	(194,352)
Physical Environment	740,702	4,870,313	(4,129,611)
Public Safety	627,872	628,150	(278)
Transportation	481,488	566,489	(85,001)
Human Services	189,971	1,002,246	(812,275)
Total Expenses	<u>3,683,713</u>	<u>8,808,505</u>	<u>(5,124,792)</u>
Change in Net Position	(338,635)	335,908	(674,543)
Net Position, Beginning	<u>1,988,150</u>	<u>1,652,242</u>	<u>335,908</u>
Net Position, Ending	<u>\$ 1,649,515</u>	<u>\$ 1,988,150</u>	<u>\$ (338,635)</u>

In fiscal year 2025, the Council's total revenues of \$3,345,078 were a decrease of \$5,799,335 when comparing to fiscal year 2024. This decrease was primarily driven by a decrease in federal grant funding associated with the Franklin County Living Shoreline project, a major coastal restoration initiative. This project accounted for over \$4.3 million in revenue and expenditures during the prior fiscal year.

Total expenses for the year ended September 30, 2025, were \$3,683,713 versus \$8,808,505, a decrease of \$5,124,792. This decrease is directly tied to the Living Shoreline project and other expanded programmatic activities funded through grant awards in the prior year that were not active in the current year.

**APALACHEE REGIONAL PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Capital Assets and Debt Administration

For the years ended September 30, 2025 and 2024, the Council had approximately \$19,983 and \$26,358 in fixed assets, respectively, net of accumulated depreciation and \$247,606 and \$359,259 in right-of-use lease assets, respectively, net of accumulated amortization.

The Council does not have any long-term debt related to its capital assets and does not utilize debt as a matter of policy. The Council's lease liability related to right-of-use lease assets was \$261,360 and \$374,639 for the years ended September 30, 2025 and 2024, respectively.

Individual Fund Analysis

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

General Fund Budgetary Highlights

The Council amended its budget twice during the current fiscal year. The Council underspent its budget for the general fund and revolving loan fund.

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 2026, various factors, such as delivering at least the same level of expertise in fiscal year 2026 and adding new programs and grants were considered.

Request for Information

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

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

APALACHEE REGIONAL PLANNING COUNCIL

BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

APALACHEE REGIONAL PLANNING COUNCIL
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Total Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 323,728
Due from Other Governments	458,553
Other Grant and Contract Receivables	449,844
Contract Receivables - Related Party	12,005
Prepaid Expenses	14,379
Restricted Assets:	
Cash and Cash Equivalents	1,058,317
Loans Receivable	1,180,879
Capital Assets, Being Depreciated, Net	19,983
Right-of-Use Lease Asset, Being Amortized, Net	247,606
Total Assets	3,765,294
Deferred Outflows of Resources	
Pension Related	338,327
Liabilities	
Accounts Payable and Accrued Expenses	459,931
Deferred Revenue	15,001
Accrued Compensated Absences, Current Portion	18,903
Lease Liability, Current Portion	121,104
Noncurrent Liabilities:	
Accrued Compensated Absences, Long Term	56,708
Lease Liability, Long Term	140,256
Net Pension Liability	1,198,754
Total Liabilities	2,010,656
Deferred Inflows of Resources	
Pension Related	443,450
Net Position	
Net Investment in Capital and Right-of-Use Assets	6,229
Restricted for:	
Revolving Loan Funds	2,320,499
Unrestricted	(677,213)
Total Net Position	\$ 1,649,515

The accompanying notes to financial statements are an integral part of this statement.

**APALACHEE REGIONAL PLANNING COUNCIL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental Activities:					
General Government	\$ 1,250,045	\$ 384,206	\$ -	\$ -	\$ (865,839)
Economic Environment	393,635	285,100	159,110	-	50,575
Physical Environment	740,702	32,568	706,537	-	(1,597)
Public Safety	627,872	130,200	571,701	-	74,029
Transportation	481,488	103,500	454,021	-	76,033
Human Services	189,971	-	189,481	-	(490)
Total Primary Government	\$ 3,683,713	\$ 935,574	\$ 2,080,850	\$ -	(667,289)
General Revenues:					
Membership Assessments					147,359
Interest Income					118,966
Miscellaneous Revenues					62,329
Total General Revenues					328,654
Change in Net Position					(338,635)
Net Position, Beginning of Year					1,988,150
Net Position, End of Year					\$ 1,649,515

The accompanying notes to financial statements are an integral part of this statement.

**APALACHEE REGIONAL PLANNING COUNCIL
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025**

	Major Funds			Total
	General Fund	Revolving Loan Fund	BBHCC Fund	Governmental Funds
Assets				
Cash and Cash Equivalents	\$ 249,197	\$ -	\$ 74,531	\$ 323,728
Due from Other Governments	458,553	-	-	458,553
Other Grant and Contract Receivables	449,844	-	-	449,844
Contract Receivables - Related Party	12,005	-	-	12,005
Due from Other Funds	-	81,303	86,744	168,047
Prepaid Expenses	14,379	-	-	14,379
Restricted Assets:				
Cash and Cash Equivalents	-	1,058,317	-	1,058,317
Loans Receivable	-	1,180,879	-	1,180,879
Total Assets	<u>1,183,978</u>	<u>2,320,499</u>	<u>161,275</u>	<u>3,665,752</u>
Liabilities				
Accounts Payable and Accrued Expenses	458,969	-	962	459,931
Deferred Revenue	15,001	-	-	15,001
Due to Other Funds	168,047	-	-	168,047
Total Liabilities	<u>642,017</u>	<u>-</u>	<u>962</u>	<u>642,979</u>
Fund Balances				
Nonspendable	14,379	-	-	14,379
Restricted for:				
Revolving Loan Programs - CARES	-	600,928	-	600,928
Revolving Loan Programs - REVIVE	-	811,399	-	811,399
Revolving Loan Programs - Franklin County	-	310,971	-	310,971
Revolving Loan Programs - Legacy	-	597,201	-	597,201
Assigned for:				
Big Bend Healthcare Coalition	-	-	160,313	160,313
Unassigned	527,582	-	-	527,582
Total Fund Balances	<u>541,961</u>	<u>2,320,499</u>	<u>160,313</u>	<u>3,022,773</u>
Total Liabilities and Fund Balances	<u>\$ 1,183,978</u>	<u>\$ 2,320,499</u>	<u>\$ 161,275</u>	<u>\$ 3,665,752</u>

The accompanying notes to financial statements are an integral part of this statement.

**APALACHEE REGIONAL PLANNING COUNCIL
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Total Fund Balances of Governmental Funds **\$ 3,022,773**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. 19,983

Intangible right of use lease assets, net of accumulated amortization, and lease liabilities related to right of use assets, are included in governmental activities in the statement of net position but not in the governmental funds.

Intangible Right of Use Lease Asset, Net	247,606	
Lease Liability	<u>(261,360)</u>	(13,754)

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

Deferred Outflows Related to Pensions	338,327	
Deferred Inflows Related to Pensions	<u>(443,450)</u>	(105,123)

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

Accrued Compensated Absences	(75,610)	
Net Pension Liability	<u>(1,198,754)</u>	<u>(1,274,364)</u>

Total Net Position of Governmental Activities **\$ 1,649,515**

The accompanying notes to financial statements are an integral part of this statement.

APALACHEE REGIONAL PLANNING COUNCIL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Major Funds			Total
	General Fund	Revolving Loan Fund	BBHCC Fund	Governmental Funds
Revenues				
Membership Assessments	\$ 147,359	\$ -	\$ -	\$ 147,359
Intergovernmental Revenues:				
Federal Grants	411,975	40,000	362,439	814,414
State Grants	784,402	-	-	784,402
Governmental Contracts	861,486	-	-	861,486
Other Grants and Contracts	482,034	-	-	482,034
Related Party Contract	74,088	-	-	74,088
Interest Income	18,162	100,791	13	118,966
Miscellaneous Revenue	4,139	58,190	-	62,329
Total Revenues	<u>2,783,645</u>	<u>198,981</u>	<u>362,452</u>	<u>3,345,078</u>
Expenditures				
Current:				
General Government	1,107,580	-	-	1,107,580
Public Safety	218,481	-	409,391	627,872
Transportation	481,488	-	-	481,488
Human Services	189,971	-	-	189,971
Economic Environment	231,723	161,912	-	393,635
Physical Environment	740,702	-	-	740,702
Debt Service:				
Principal	113,280	-	-	113,280
Interest	12,605	-	-	12,605
Total Expenditures	<u>3,095,830</u>	<u>161,912</u>	<u>409,391</u>	<u>3,667,133</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(312,185)</u>	<u>37,069</u>	<u>(46,939)</u>	<u>(322,055)</u>
Net Change in Fund Balances	(312,185)	37,069	(46,939)	(322,055)
Fund Balances, Beginning of Year	<u>854,146</u>	<u>2,283,430</u>	<u>207,252</u>	<u>3,344,828</u>
Fund Balances, End of Year	<u>\$ 541,961</u>	<u>\$ 2,320,499</u>	<u>\$ 160,313</u>	<u>\$ 3,022,773</u>

The accompanying notes to financial statements are an integral part of this statement.

**APALACHEE REGIONAL PLANNING COUNCIL
RECONCILIATION OF THE STATEMENT OF ACTIVITIES TO THE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Net Change in Fund Balances - Total Governmental Funds	\$ (322,055)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.

Less: Current Year Depreciation	(6,375)
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Amortization expense related to right of use lease assets does not require the use of current financial resources and therefore is not reported as an expenditure in the governmental funds.	(111,653)
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Certain pension related amounts are being deferred and amortized over a period of years or are being deferred as contributions to the pension plans made after the measurement date:

Change in Deferred Inflows Related to Pensions	(182,310)	
Change in Deferred Outflows Related to Pensions	(228,401)	(410,711)

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Lease Repayment	113,279	
Change in Compensated Absences	(21,601)	
Change in Net Pension Liability	420,481	512,159

Change in Net Position of Governmental Activities	\$ (338,635)
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The accompanying notes to financial statements are an integral part of this statement.

APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

**APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

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

The accompanying financial statements include the Council and its blended component unit, Big Bend Healthcare Coalition, Inc. (“BBHCC”), collectively referred to as “the financial reporting entity”. The component unit has been included in the Council’s reporting entity because of the nature and significance of its operational and financial relationship with the Council.

Component Unit

The Big Bend Healthcare Coalition, Inc. is a legally separate, nonprofit organization (501(c)(3)) incorporated in 2014 in the state of Florida. BBHCC was formed in response to the need for healthcare and response organizations to collaborate to better prepare for and respond to medical surge events. The purpose of the BBHCC is to form a broad collaborative network of healthcare and support organizations and their respective public and private sector response partners. The goal is to facilitate integration, collaboration, and coordination, of healthcare organizations in the Big Bend region for emergency preparedness, response, support of operations, and recovery.

BBHCC is a component unit of the Council due to the Council’s management having operational responsibility for the nonprofit and therefore being able to impose its will upon BBHCC. It qualifies as a blended component unit; therefore, data from BBHCC is combined with data of the Council. BBHCC does not issue stand-alone audited financial statements.

Government-Wide and Fund Financial Statements

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

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Member dues and other items not properly included among program revenues are reported instead as general revenues.

**APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Note 1 - Summary of Significant Accounting Policies (Continued)

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:

- **General Fund** – used to account for all financial resources except those required to be accounted for in another fund.
- **Revolving Loan Fund** – used to account for resources derived from the Federal Revolving Loan Program (“RLF”). The RLF fund is used to account for revolving loan funds from the U.S. Department of Commerce through the Economic Development Administration (“EDA”).

The EDA RLF is used to provide loans to small and medium size businesses located within the nine-county geographic area covered by the Council, which cannot obtain conventional financing. The fund activity includes cash, outstanding loan receivables, interest earned and allowable administrative expenses.

- **BBHCC Fund** – used to account for the financial activity of the Big Bend Healthcare Coalition, Inc. (“BBHCC”). BBHCC is a component unit of the Apalachee Regional Planning Council.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental Fund Financial Statements – The Council uses the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

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

Government-Wide Financial Statements – The government-wide financial statements are reported using the 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.

APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Nonspendable fund balance represents amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

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

Committed fund balance includes amounts that can be used only for a specific purpose determined by a formal action of the Council Members. The Council Members are the highest level of decision-making authority for the Council. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Council Members.

Assigned fund balance includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Intent can be expressed by the Council Members or by an official or body to which the Council Members delegate the authority.

Unassigned fund balance is the classification for the government's general fund and includes all spendable amounts not contained in the other classifications. For the fiscal year ended September 30, 2025, the unassigned fund balance in the Council's general fund will be used for the day-to-day operations of the Council.

Cost Allocation

Expenses incurred in relation to specific grants or contracts are charged directly to grants or contracts. All other expenses are allocated to active grants or contracts on the basis of direct salary, allocated leave salary, plus allocated fringe benefits. This policy is consistent with the principles of Office of Management and Budget ("OMB") 2 CFR, Part 200, Uniform Guidance.

Budget Policy

Prior to October 1 of each year, the budget is 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 Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual have been adjusted for any budget revisions approved by the Council's Board as of September 30, 2025.

Risk Management

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

**APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

Accounting Estimates

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

Cash and Cash Equivalents

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

Contract and Grant Receivables

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

Loans Receivable/Allowance for Loan Losses

Loans are stated at the amount of unpaid principal. The Council did not have an amount for the allowance for loan losses at September 30, 2025.

Due To/Due From Other Funds

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. These transactions are classified as "due to and from other funds". Interfund receivables and payables between funds are eliminated in the Statement of Net Position.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both government-wide and fund financial statements.

Restricted Assets

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

Capital Assets

Capital assets, which include office furniture and equipment, vehicles, and leasehold improvements, are recorded as capital outlay expenditures in the General Fund at the time goods are received and a liability is incurred. Capital assets are defined by the Council as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. These assets are then capitalized at cost in the statement of net position. Capital assets are depreciated using the straight-line method over two to ten years for furniture and equipment and vehicles, and the remaining lease period for leasehold improvements. The depreciation expense is recorded in the statement of activities.

APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

Note 1 - Summary of Significant Accounting Policies (Continued)

Deferred Inflows/Outflows of Resources

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

Pension Related- Pension Related Deferred Inflows and Outflows represent the difference between expected and actual experience with regard to economic or demographic factors and changes to assumptions in the measurement of total pension liability, and the differences between expected and actual earnings on pension plan investments, and changes in the Council's proportionate share of pension contributions. These amounts are reported as deferred inflows and outflows of resources, to be recognized in expense over time. Also included in deferred outflows are amounts contributed to the pension plans subsequent to the measurement date. See Note 7 for more information on Pension Related Deferred Inflows and Outflows.

Deferred Revenue

Deferred revenue includes funds received from grants or contracts before the related costs are incurred or services are performed.

Accrued Compensated Absences

The Council's policy is to permit regular full time employees who have completed at least 1 year of service to accumulate earned and unused vacation pay benefits up to 240 hours. Employees who have completed at least 10 years of service are permitted to accrue earned and unused sick leave. The liability for accumulated vacation and sick hours is reflected in the statement of net position.

Interfund Transfers

Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers. For the purpose of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

Income Taxes

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

Reclassification

Certain prior year amounts have been reclassified to conform to the current year presentation and note disclosures.

Implementation of New Accounting Standards

During the year ended September 30, 2025, the Council adopted GASB Statement No. 101, *Compensated Absences*. The standard aligns the recognition and measurement guidance for compensated absences under a unified model and amends certain previously required disclosures. Adoption did not have a material effect on the Council's financial statements. Additionally, the Council adopted GASB Statement No. 102, *Certain Risk Disclosures*. The standard addresses disclosures regarding risks related to a government's vulnerabilities due to certain concentrations or constraints. Adoption did not have a material effect on the Council's financial statements.

APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

Note 2 - Cash and Cash Equivalents

At September 30, 2025, the Council's cash and cash equivalents consisted of the following:

Unrestricted Cash and Cash Equivalents:	
Cash and Cash Equivalents	\$ 323,728
Total Unrestricted Cash and Cash Equivalents	<u>323,728</u>
Restricted Cash and Cash Equivalents:	
Revolving Loan Fund - Legacy	320,622
Revolving Loan Fund - CARES	204,441
Revolving Loan Fund - REVIVE	222,283
Revolving Loan Fund - Franklin County	310,971
Total Restricted Cash and Cash Equivalents	<u>1,058,317</u>
Total Cash and Cash Equivalents	<u>\$ 1,382,045</u>

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

Deposits

The Council's deposits are held in financial institutions with federal depository insurance (FDIC) that are approved by the State Treasurer to hold public funds. All deposits with financial institutions are insured by FDIC or by collateral pursuant to the Public Depository Security Act of the State of Florida.

Florida State Board of Administration

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

At September 30, 2025, Apalachee Regional Planning Council had a balance of \$183 invested in the State Board of Administration's Florida Prime Fund.

The Office of the Auditor General performs an operational audit of the activities and investments of the SBA. Investments in the pooled fund are held in the name of the SBA.

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

Florida PRIME's dollar weighted average days to maturity and weighted average life as of September 30, 2025 were 47 days and 73 days, respectively, and there were no redemption fees, maximum transaction amounts, or any other requirements that would limit a participant's daily access to 100% of its account value. A redemption gate of forty-eight (48) hours and up to an additional fifteen (15) days may apply to material withdrawals.

APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

Note 2 - Cash and Cash Equivalents (Continued)

Restricted Cash

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

Note 3 - Loans Receivable

The Council contracted with the Economic Development Administration (EDA) for an Economic Adjustment Assistance Grant of \$1,000,000 under Title IX, Section 903 of the Public Works and Economic Development Act of 1965, as amended, to fund an Economic Development Revolving Loan Fund (RLF). The Council matched this grant with a \$335,000 Community Development Block Grant for a total grant of \$1,335,000 to fund this program. This RLF is referred to in the financial statements as the Legacy RLF. The Council also contracted with the Economic Development Administration for a CARES Act Grant of \$638,000 for the purpose of establishing a separate RLF to assist businesses that had suffered negative economic impacts during the pandemic. This RLF is referred to in the financial statements as the CARES RLF. The Council additionally contracted with the Economic Development Administration for the Economic Adjustment Assistance Grant of \$1,000,000 funded by the Hurricane Michael Relief Fund to set up a third RLF. This RLF is referred to in the financial statements as the REVIVE RLF. The Council received \$309,592 from Franklin County to administer the Franklin County RLF program. The \$309,592 represents the balance of loan repayments from a revolving loan fund that was established in response to 1994 Tropical Storm Alberto. The Franklin County RLF program has been de-federalized. As of March 2023, the Legacy program was also de-federalized.

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

Loans receivable consists of several loans made to small business entities that meet the RLF funding requirements. The loans are due in monthly installments at a rate of 5% to 7% over a period of three to fifteen years. The loans are secured by various types of collateral and are recorded at their net realizable value as of the financial statement date.

The following is a summary of the loan receivable balances for the year ended September 30, 2025:

	<u>Legacy</u>	<u>CARES</u>	<u>REVIVE</u>	<u>Total</u>
Loans Receivable, Beginning	\$ 336,027	\$ 427,059	\$ 590,344	\$ 1,353,430
Amount Loaned	-	-	50,000	50,000
Principal Collected	(141,503)	(30,000)	(51,048)	(222,551)
Principal Write Off of Bad Debt	-	-	-	-
Loans Receivable, Ending	<u>\$ 194,524</u>	<u>\$ 397,059</u>	<u>\$ 589,296</u>	<u>\$ 1,180,879</u>

APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

Note 4 - Capital Assets

The following is a summary of changes in capital assets for the year ended September 30, 2025:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 48,456	\$ -	\$ -	\$ 48,456
Vehicles	23,034	-	-	23,034
Intangible Right of Use Lease Asset - Building	571,932	-	-	571,932
Total Capital Assets Being Depreciated	<u>643,422</u>	<u>-</u>	<u>-</u>	<u>643,422</u>
Less Accumulated Depreciation and Amortization:				
Furniture and Equipment	(36,632)	(3,084)	-	(39,716)
Vehicles	(8,500)	(3,291)	-	(11,791)
Intangible Right of Use Lease Asset - Building	<u>(212,673)</u>	<u>(111,653)</u>	<u>-</u>	<u>(324,326)</u>
Total Accumulated Depreciation and Amortization	<u>(257,805)</u>	<u>(118,028)</u>	<u>-</u>	<u>(375,833)</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 385,617</u>	<u>\$ (118,028)</u>	<u>\$ -</u>	<u>\$ 267,589</u>

Depreciation expense reported in general government expenses was \$6,375 for the fiscal year ended September 30, 2025. Amortization expense reported in general government expenses was \$111,653.

Note 5 – Interfund Receivables and Payables

Interfund receivables and payables at September 30, 2025 are comprised of the following:

	<u>Interfund Receivable (Interfund Payable)</u>
General Fund:	
Due to Revolving Loan Fund	\$ (81,303)
Due to BBHCC Fund	(86,744)
Revolving Loan Fund:	
Due from General Fund	81,303
BBHCC Fund:	
Due from General Fund	86,744
	<u>\$ -</u>

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

Note 6 - Long-Term Liabilities

	Balance 10/1/2024	Additions	Deductions	Balance 9/30/2025	Due in One Year
Governmental Activities					
Accrued Compensated Absences	\$ 54,009	\$ 87,048	\$ (65,447)	\$ 75,610	\$ 18,903
Lease Liability	374,639	-	(113,279)	261,360	121,104
Net Pension Liability	1,619,235	(420,481)	-	1,198,754	-
Total General Long-Term Debt	<u>\$2,047,883</u>	<u>\$ (333,433)</u>	<u>\$ (178,726)</u>	<u>\$1,535,724</u>	<u>\$ 140,007</u>

The Council has a \$100,000 unsecured revolving line of credit with an interest rate of 10.25%. During the year ended September 30, 2025, the Council did not draw on the line of credit.

The Council has a long-term liability of \$75,610 for accrued compensated absences. Management estimates that 25% of this balance (\$18,903) will be due and payable within one year.

Note 7 – Pension Plans

Defined Benefit Plans - Plan Description

The Council participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability and death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of Florida Legislature.

The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report may be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida, 32315-9000 or by calling (844) 377-1888.

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

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

**APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Note 7 – Pension Plans (Continued)

Benefits Provided

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

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$7.50. The minimum payment is \$45, and the maximum payment is \$225 per month, pursuant to Section 112.363, Florida Statutes.

Contributions

The contribution requirements of plan members and the Council are established and may be amended by the Florida Legislature. Employees are required to contribute 3% of their salary to FRS. The Council's contribution rates for the year ended September 30, 2025 were as follows:

	<u>Year Ended June 30, 2025</u>		<u>Year Ended June 30, 2026</u>	
	<u>FRS (2)</u>	<u>HIS</u>	<u>FRS (2)</u>	<u>HIS</u>
Regular Class	13.63%	1.66%	11.57%	1.66%
Senior Management	58.68%	1.66%	56.62%	1.66%
Special Risk Employee Class	34.52%	1.66%	32.46%	1.66%
DROP Plan Participants	21.13%	1.66%	19.13%	1.66%
	(1)		(1)	

(1) Contribution rates are dependent upon retirement class in which reemployed.

(2) The rates include the normal cost and unfunded actuarial contributions, but do not include the fee of 0.06% for administration of the FRS Investment Plan and provision of education tools.

The Council's contributions for the year ended September 30, 2025, were \$131,816 to FRS and \$35,812 to HIS.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2025, the Council reported a liability for its proportionate shares of the net pension liabilities. The net pension liabilities were measured as of June 30, 2025, and the total pension liabilities used to calculate the net pension liability were determined by actuarial valuation date July 1, 2025. The Council's proportions of the net pension liabilities were based on the Council's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

**APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Note 7 – Pension Plans (Continued)

	<u>FRS</u>	<u>HIS</u>
Net Pension Liability	\$ 685,170	\$ 513,584
Proportion at:		
Current Measurement Date	0.002207724%	0.004006917%
Prior Measurement Date	0.002546917%	0.004226178%
Pension Expense (Benefit)	\$ 99,389	\$ 45,647

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2025, the Council reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>FRS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 73,183	\$ -
Changes of Assumptions	79,566	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(114,396)
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	63,798	(167,077)
Employer Contributions Subsequent to the Measurement Date	30,204	-
	<u>\$ 246,751</u>	<u>\$ (281,473)</u>
	<u>HIS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 3,066	\$ (815)
Changes of Assumptions	4,546	(124,223)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(427)
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	75,840	(36,512)
Employer Contributions Subsequent to the Measurement Date	8,124	-
	<u>\$ 91,576</u>	<u>\$ (161,977)</u>

**APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Note 7 – Pension Plans (Continued)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2026. Other pension related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Measurement Period Ending June 30,	FRS	HIS
2026	\$ 112,159	\$ 5,997
2027	(61,007)	(16,192)
2028	(71,914)	(26,746)
2029	(44,165)	(24,192)
2030	-	(17,393)
Thereafter	-	-
Total	<u>\$ (64,927)</u>	<u>\$ (78,526)</u>

Actuarial Assumptions

The total pension liability for both plans in the June 30, 2025 actuarial valuation, were determined using the following actuarial assumptions, applied to all periods included in the measurement:

	FRS	HIS
Inflation	2.40%	2.40%
Salary Increase	3.50% Average, Including Inflation	3.50%
Discount Rate	6.70%	5.20%
Long-Term Expected Rate of Return, Net of Investment Income	6.70%	N/A
Municipal Bond	N/A	5.20%

Mortality assumptions for both plans were based on PUB 2010. The base table varies by member category and sex, projected generationally with scale MP-2018.

For both plans, the actuarial assumptions used in the valuation date July 1, 2025, were based on the results of an actuarial experience study for the period July 1, 2018, through June 30, 2023.

The following changes in key actuarial assumptions occurred in 2025:

- FRS: The long-term expected rate of return remained at 6.70% and the active member mortality assumption was updated.
- HIS: The municipal rate used to determine total pension liability was increased from 3.93% to 5.20%.
- The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. For FRS, the table below summarizes the target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class.

APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

Note 7 – Pension Plans (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Geometric Return</u>	<u>Standard Deviation</u>
Cash	1.0%	3.2%	3.2%	1.1%
Fixed Income	29.0%	5.5%	5.4%	4.0%
Global Equity	45.0%	8.5%	6.9%	18.3%
Real Estate (Property)	12.0%	8.4%	7.1%	16.8%
Private Equity	11.0%	12.4%	8.8%	28.4%
Strategic Investments	2.0%	6.5%	6.1%	8.7%
	<u>100.0%</u>			

Assumed Inflation - Mean	2.4%	1.5%
--------------------------	------	------

Discount Rate

The discount rate used to measure the total pension liability for FRS was 6.70%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because HIS is essentially funded on a pay-as-you-go basis, a municipal bond rate of 5.20% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis

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

	<u>FRS</u>		
	<u>Current</u>		
	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Employer's Proportionate Share of the Net Pension Liability	\$ 1,344,636	\$ 685,170	\$ 132,284

	<u>HIS</u>		
	<u>Current</u>		
	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Employer's Proportionate Share of the Net Pension Liability	\$ 579,149	\$ 513,584	\$ 458,596

Pension Plans' Fiduciary Net Position

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

APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

Note 7 – Pension Plans (Continued)

Defined Contribution Plan

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

Note 8 – Other Postemployment Benefits

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

Note 9 – Contingencies

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

Note 10 – Leases

The Council conducts its operations from a leased office space in Tallahassee, Florida. The Council entered into a five-year lease for office space in April of 2023. Escalating payments are due monthly beginning October of 2023 through October of 2027. The Council used a risk-free annual interest rate of 3.9%. Lease expense was \$126,449 for the year ended September 30, 2025.

Annual requirements to amortize this lease liability and related interest are as follows:

<u>Year Ending September 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2026	121,104	8,048	129,152
2027	129,235	3,181	132,416
2028	11,021	36	11,057
	<u>\$ 261,360</u>	<u>\$ 11,265</u>	<u>\$ 272,625</u>

**APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Note 11 - Fund Balance

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

	General	Revolving	BBHCC	Total
Fund Balances	Fund	Loan	Fund	Governmental
		Fund		Funds
Nonspendable	\$ 14,379	\$ -	\$ -	\$ 14,379
Restricted for:				
CARES	-	600,928	-	600,928
REVIVE	-	811,399	-	811,399
Franklin County	-	310,971	-	310,971
Legacy	-	597,201	-	597,201
Assigned for:				
BBHCC	-	-	160,313	160,313
Unassigned	527,582	-	-	527,582
Total Fund Balance	<u>\$ 541,961</u>	<u>\$ 2,320,499</u>	<u>\$ 160,313</u>	<u>\$ 3,022,773</u>

Note 12 – Related Party

The Council has a contract to provide an association director and administrative services to the Florida Regional Councils Association ("FRCA"). The Council is a member of FRCA and pays annual dues of \$25,000. FRCA was not incorporated until after September 30, 2024 year end, and therefor was using the Council's EIN and the name "Apalachee Regional Planning Council DBA Florida Regional Councils Association" for their separate bank accounts during the current fiscal year. During the year ended September 30, 2025, the Council received \$74,088 from FRCA for the association director and administrative services.

Note 13 - Subsequent Events

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued or are available to be issued. Subsequent events should be disclosed in the financial statements if exclusion of such disclosure would cause the financial statements to be misleading. Management has evaluated subsequent events through September 24, 2026, the date the financial statements were available to be issued and does not believe that there are any such events or transactions that require disclosure.

APALACHEE REGIONAL PLANNING COUNCIL
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2025

**APALACHEE REGIONAL PLANNING COUNCIL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL-GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues				
Membership Assessments	\$ 141,800	\$ 147,359	\$ 147,359	\$ -
Federal, State, and Local Grants & Contracts	9,014,525	4,664,529	2,613,985	(2,050,544)
Interest Income	10,000	10,000	18,162	8,162
Miscellaneous Revenue	-	-	4,139	4,139
Total Revenues	<u>9,166,325</u>	<u>4,821,888</u>	<u>2,783,645</u>	<u>(2,038,243)</u>
Expenditures				
Personnel Services	2,091,640	1,936,604	2,060,706	(124,102)
Operating Expenses	<u>7,074,685</u>	<u>2,594,325</u>	<u>1,035,124</u>	<u>1,559,201</u>
Total Expenditures	<u>9,166,325</u>	<u>4,530,929</u>	<u>3,095,830</u>	<u>1,435,099</u>
Excess (Deficiency) of Revenues Over				
(Under) Expenditures	<u>-</u>	<u>290,959</u>	<u>(312,185)</u>	<u>(603,144)</u>
Net Change in Fund Balance	-	290,959	(312,185)	(603,144)
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>854,146</u>	<u>854,146</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 290,959</u>	<u>\$ 541,961</u>	<u>\$ 251,002</u>

**APALACHEE REGIONAL PLANNING COUNCIL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL-REVOLVING LOAN FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues				
Federal Grants	\$ -	\$ -	\$ 40,000	\$ 40,000
Interest Income	40,000	200,416	100,791	(99,625)
Miscellaneous Revenue	-	25,000	58,190	33,190
Total Revenues	<u>40,000</u>	<u>225,416</u>	<u>198,981</u>	<u>(26,435)</u>
Expenditures				
Economic Environment	<u>40,000</u>	<u>225,416</u>	<u>161,912</u>	<u>63,504</u>
Total Expenditures	<u>40,000</u>	<u>225,416</u>	<u>161,912</u>	<u>63,504</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>37,069</u>	<u>37,069</u>
Net Change in Fund Balance	-	-	37,069	37,069
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>2,283,430</u>	<u>2,283,430</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,320,499</u>	<u>\$ 2,320,499</u>

**APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO BUDGETARY COMPARISON SCHEDULES
SEPTEMBER 30, 2025**

Note 1- Budgetary Requirements

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

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

**APALACHEE REGIONAL PLANNING COUNCIL
FLORIDA RETIREMENT SYSTEM
SCHEDULE OF THE COUNCIL'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	September 30, 2025	September 30, 2024	September 30, 2023	September 30, 2022	September 30, 2021	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016
Florida Retirement System-Pension Plan										
Council's Proportion of the Net Pension Liability	0.002207724%	0.002546917%	0.002799129%	0.003054706%	0.002625919%	0.001799946%	0.001495600%	0.001360903%	0.001093745%	0.001399548%
Council's Proportionate Share of the Net Pension Liability	685,170	985,267	1,115,364	1,136,596	\$ 198,358	\$ 780,123	\$ 515,064	\$ 409,911	\$ 323,522	\$ 353,387
Council's Covered-Employee Payroll (FYE 9/30)	1,727,197	1,971,951	1,675,492	1,549,518	1,737,033	1,221,606	923,886	646,408	428,779	392,400
Council's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	39.67%	49.96%	66.57%	73.35%	11.42%	63.86%	55.75%	63.41%	75.45%	90.06%
FRS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.26%	83.70%	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%
Florida Retirement System-Health Insurance Subsidy										
Council's Proportion of the Net Pension Liability	0.004006917%	0.004226178%	0.004088945%	0.004202674%	0.003629106%	0.002436199%	0.002076100%	0.001949018%	0.001201826%	0.001230080%
Council's Proportionate Share of the Net Pension Liability	513,584	633,968	649,379	445,130	\$ 445,164	\$ 297,456	\$ 232,295	\$ 206,286	\$ 128,505	\$ 143,361
Council's Covered-Employee Payroll (FYE 9/30)	1,727,197	1,971,951	1,675,492	1,549,518	1,737,033	1,221,606	923,886	646,408	428,779	392,400
Council's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	29.74%	32.15%	38.76%	28.73%	25.63%	24.35%	25.14%	31.91%	29.97%	36.53%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	6.36%	4.80%	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%

Notes to Schedule:

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

The Covered-Employee Payroll is for the fiscal year shown. The schedule will build to 10 years as information becomes available.

**APALACHEE REGIONAL PLANNING COUNCIL
FLORIDA RETIREMENT SYSTEM
SCHEDULE OF THE COUNCIL'S CONTRIBUTIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	September 30, 2025	September 30, 2024	September 30, 2023	September 30, 2022	September 30, 2021	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016
Florida Retirement System-Pension Plan										
Contractually Required Contributions	\$ 131,816	\$ 144,223	\$ 134,656	\$ 130,350	\$ 100,036	\$ 59,804	\$ 46,375	\$ 38,785	\$ 29,592	\$ 32,713
Contributions in Relation to the Contractually Required Contribution	(131,816)	(144,223)	(134,656)	(130,350)	(100,036)	(59,804)	(46,375)	(38,785)	(29,592)	(32,713)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Council's Covered-Employee Payroll	1,727,197	1,971,951	1,675,492	1,549,518	1,737,033	1,221,606	923,886	646,408	428,779	392,400
Contributions as a Percentage of Covered-Employee Payroll	7.63%	7.31%	8.04%	8.41%	5.76%	4.90%	5.02%	6.00%	6.90%	8.34%
Florida Retirement System-Health Insurance Subsidy										
Contractually Required Contributions	\$ 35,812	\$ 35,780	\$ 26,898	\$ 25,430	\$ 21,332	\$ 14,039	\$ 11,528	\$ 10,570	\$ 7,109	\$ 6,392
Contributions in Relation to the Contractually Required Contribution	(35,812)	(35,780)	(26,898)	(25,430)	(21,332)	(14,039)	(11,528)	(10,570)	(7,109)	(6,392)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Council's Covered-Employee Payroll	1,727,197	1,971,951	1,675,492	1,549,518	\$ 1,737,033	\$ 1,221,606	\$ 923,886	646,408	428,779	392,400
Contributions as a Percentage of Covered-Employee Payroll	2.07%	1.81%	1.61%	1.64%	1.23%	1.15%	1.25%	1.64%	1.66%	1.63%

Notes to Schedule:

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

APALACHEE REGIONAL PLANNING COUNCIL

OTHER SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2025

**APALACHEE REGIONAL PLANNING COUNCIL
SCHEDULE OF RECEIPTS AND EXPENDITURES OF FUNDS
RELATED TO THE DEEPWATER HORIZON OIL SPILL
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

<u>Source of Funds:</u>	<u>Amount Received During the Fiscal Year Ended 9/30/2025</u>	<u>Amount Expended During the Fiscal Year Ended 9/30/2025</u>
National Fish and Wildlife Foundation		
Gulf Environmental Benefit Fund (GEBF)	\$ 702,152	\$ 482,034

APALACHEE REGIONAL PLANNING COUNCIL

COMPLIANCE SECTION

SEPTEMBER 30, 2025

**APALACHEE REGIONAL PLANNING COUNCIL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	ALN	Contract #	Grant Amount	Total Expenditures	Pass-Through to Subrecipients
<u><i>U.S. Department of Commerce - Economic Development Administration</i></u>					
Economic Development Support for Planning Organizations	11.302	ED23ATL3020024	\$ 210,000	\$ 70,000	\$ -
Total Economic Development Support for Planning Organizations			<u>210,000</u>	<u>70,000</u>	<u>-</u>
Economic Adjustment Assistance	11.307	ED25ATL0G0063	500,000	49,110	-
Economic Adjustment Assistance - Revolving Loan Fund - REVIVE	11.307	04-79-07446	800,000	683,592	-
Economic Adjustment Assistance - Revolving Loan Fund - CARES	11.307	04-79-07543	638,000	635,202	-
Total Economic Adjustment Assistance			<u>1,938,000</u>	<u>1,367,904</u>	<u>-</u>
Total U.S. Department of Commerce - Economic Development Administration			<u>2,148,000</u>	<u>1,437,904</u>	<u>-</u>
<u><i>U.S. Department of Housing and Urban Development</i></u>					
Continuum of Care Program - Homeless Management Information System	14.267	FL0355L4H062314	130,292	81,493	81,493
Continuum of Care Program - Planning	14.267	FL1012L4H062300	148,025	107,988	107,988
Total Continuum of Care Program			<u>278,317</u>	<u>189,481</u>	<u>189,481</u>
<u><i>Passed Through Wakulla County, Florida</i></u>					
Community Development Block Grants/State's Program	14.228	MT036	75,000	6,111	-
Community Development Block Grants/State's Program	14.228	MT035	75,000	12,500	-
Total Community Development Block Grants/State's Program			<u>150,000</u>	<u>18,611</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development			<u>428,317</u>	<u>208,092</u>	<u>189,481</u>
<u><i>U.S. Department of Transportation</i></u>					
<u><i>Passed Through Florida Executive Office of the Governor, Division of Emergency Management</i></u>					
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	T0236	232,049	84,773	-
Total U.S. Department of Transportation			<u>232,049</u>	<u>84,773</u>	<u>-</u>
<u><i>U.S. Department of Health and Human Services</i></u>					
<u><i>Passed Through Florida Department of Health</i></u>					
National Bioterrorism Hospital Preparedness Program	93.889	COPBY	728,296	362,439	-
Total U.S. Department of Health and Human Services			<u>728,296</u>	<u>362,439</u>	<u>-</u>
Total Federal Awards			<u>\$ 3,536,662</u>	<u>\$ 2,093,208</u>	<u>\$ 189,481</u>

The accompanying notes to schedule of expenditures of federal awards are an integral part of this schedule.

APALACHEE REGIONAL PLANNING COUNCIL
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2025

STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	CSFA #	Contract #	Grant Amount	Total Expenditures	Pass-Through to Subrecipients
<u><i>Florida Executive Office of the Governor, Division of Emergency Management</i></u>					
Emergency Management Projects	31.067	T0386	\$ 90,000	\$ 76,950	\$ -
Emergency Management Projects	31.067	T0450	90,000	13,050	-
Emergency Management Projects	31.067	T0385	26,854	15,878	-
Total Emergency Management Projects			206,854	105,878	-
Total Florida Executive Office of the Governor, Division of Emergency Management			206,854	105,878	-
<u><i>Florida Department of Environmental Protection</i></u>					
Resilient Florida Programs	37.098	24RRE01	763,276	224,503	-
Total Florida Department of Environmental Protection			763,276	224,503	-
<u><i>Florida Department of Transportation</i></u>					
Commission for the Transportation Disadvantaged Planning Grant	55.002	G2Z95	22,418	16,365	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3007	22,384	16,340	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3008	23,102	16,865	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3011	22,447	16,386	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3016	23,193	16,931	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3017	22,434	16,377	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3021	28,816	21,036	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3023	22,280	16,265	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3047	22,874	16,698	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3C94	23,082	6,232	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3D06	23,055	10,144	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3D07	23,779	6,420	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3D10	23,110	10,169	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3D15	23,872	6,445	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3D16	23,108	6,239	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3D21	29,615	7,996	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3D23	22,945	6,195	-
Commission for the Transportation Disadvantaged Planning Grant	55.002	G3D50	23,570	6,364	-
Total Commission for the Transportation Disadvantaged Planning Grant			426,084	219,467	-
Commuter Assistance Program / Ride Share Grants	55.007	G2S74	213,203	67,879	-
Commuter Assistance Program / Ride Share Grants	55.007	G3828	215,909	166,675	-
Total Commuter Assistance Program / Ride Share Grants			429,112	234,554	-
Total Florida Department of Transportation			855,196	454,021	-
Total State Financial Assistance			\$ 1,825,326	\$ 784,402	\$ -

The accompanying notes to schedule of expenditures of state financial assistance are an integral part of this schedule.

**APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2025**

Note 1 – General

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

Note 2 – Basis of Presentation

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

Note 3 – Indirect Cost Rate

The Council elected to use the 15% de minimis indirect cost rate for federal programs. Indirect cost rates for state projects are individually negotiated with the respective awarding agencies.

Note 4 – Contingencies

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

Note 5 – Subrecipients

For the year ended September 30, 2025, the Council passed \$189,481 through to subrecipients.

Note 6 - Computation of Federal Expenditures - Revolving Loan Fund

Loans receivable reported for federal awards were expended in prior years. Therefore, amounts reported in the statement of activities were not taken into consideration as expenditures for the current year, as they were considered in the year the actual expenditures occurred. For SEFA reporting purposes, expenditures related to federally funded revolving loans are calculated as follows:

Balance of CARES Loans at September 30, 2025	\$ 397,059
Plus: Cash and Cash Equivalent Balance at September 30, 2025	204,441
Plus: Administrative Expenses Paid During the Year Ended September 30, 2025	33,702
Total	<u>635,202</u>
Federal Share Percentage	100%
CARES Federal Share Total	<u><u>\$ 635,202</u></u>

**APALACHEE REGIONAL PLANNING COUNCIL
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2025**

Note 6 - Computation of Federal Expenditures - Revolving Loan Fund (Continued)

Balance of REVIVE Loans at September 30, 2025	\$ 589,296
Plus: Cash and Cash Equivalent Balance at September 30, 2025	222,283
Plus: Administrative Expenses Paid During the Year Ended September 30, 2025	<u>42,911</u>
Total	854,490
Federal Share Percentage	<u>80%</u>
REVIVE Federal Share Total	<u><u>\$ 683,592</u></u>

**APALACHEE REGIONAL PLANNING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARD PROGRAMS AND STATE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Section I - Summary of Auditor's Results

Financial State ments

1. Type of auditor's report issued:
 For the General Fund, Revolving Loan Fund & BBHCC Fund: Unmodified
 For the Governmental Activities: Qualified

2. Internal control over financial reporting:

 Material weakness identified? yes X no
 Significant deficiency identified? yes X none noted

3. Noncompliance material to financial statements noted? yes X no

Federal Awards and State Financial Assistance

1. Internal control over major federal programs and state projects:

 Material weakness identified? yes X no
 Significant deficiency identified? yes X none noted

2. Type of auditor's report issued on compliance for major federal programs and state projects: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X no

Identification of Major Federal Programs and State Projects

<u>Major Federal Programs</u>	<u>Assistance Listing Number</u>
Economic Adjustment Assistance	11.307
<u>Major State Projects</u>	<u>CSFA Number</u>
Resilient Florida Programs	37.098
Commuter Assistance Program / Ride Share Grants	55.007

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

Federal Programs	<u>\$ 1,000,000</u>
State Projects	<u>\$ 300,000</u>

Auditee qualified as low-risk auditee? yes X no

**APALACHEE REGIONAL PLANNING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARD PROGRAMS AND STATE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Section II – Financial Statement Findings

None noted for the year ended September 30, 2025.

Section III – Findings and Questioned Costs – Federal Award Programs and State Projects

None noted for the year ended September 30, 2025.

Section IV – Summary Schedule of Prior Audit Findings Relative to Federal Awards and State Financial Assistance

Finding 2024-001: Late Submission of Data Collection Form

CRITERIA: In accordance with Uniform Guidance 2 CFR 200.512(a), the audit package and data collection form shall be submitted 30 days after receipt of the auditor's report, or 9 months after the end of the fiscal year, whichever comes first.

CONDITION: The data collection form in connection with the prior year audit was not filed within 9 months after the fiscal year end.

CAUSE: Management did not have procedures in place to ensure the timely filing of the data collection form to the Federal Audit Clearinghouse.

EFFECT: Late filing will result in noncompliance with timely submission of financial information to the grantor agencies.

RECOMMENDATION: Management should evaluate the current procedures in place to ensure the timely filing of the data collection form to the Federal Audit Clearinghouse.

STATUS OF FINDING: This finding was cleared for the fiscal year ended September 30, 2025.

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

To the Council Members of
Apalachee Regional Planning Council:

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Apalachee Regional Planning Council's (the "Council") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs and state projects for the year ended September 30, 2025. The Council's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Council complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program and State Project

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 audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550, are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Council and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the Council's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Council's federal programs and state projects.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Council's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Council's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Council's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Council's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant

deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
September 24, 2026

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

To the Council Members of
Apalachee Regional Planning Council:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Apalachee Regional Planning Council (the "Council"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise Apalachee Regional Planning Council's basic financial statements, and have issued our report thereon dated September 24, 2026.

Because the Council's management has not acquired an actuarial valuation to determine the amount of its OPEB (Other Postemployment Benefits) liability and has not presented such liability as of September 30, 2025, in its financial statements as required by accounting principles generally accepted in the United States of America, we issued a qualified opinion on the governmental activities. The impact of such departure from generally accepted accounting principles for provisions of GASB No. 75 would affect deferred inflows, liabilities, deferred outflows, net position, and expenses in the governmental activities.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

A handwritten signature in cursive script that reads "Moran & Smith LLP".

Moran & Smith LLP
Tallahassee, Florida
September 24, 2026

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES – INVESTMENT OF PUBLIC FUNDS

To the Council Members of
Apalachee Regional Planning Council:

We have examined the Apalachee Regional Planning Council's (the "Council"), compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2025, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Council's compliance with those requirements. Our responsibility is to express an opinion on the Council's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Council complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about the Council's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Council's compliance with the specified requirements.

In our opinion, the Council complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2025.

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

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
September 24, 2026

**INDEPENDENT AUDITOR'S MANAGEMENT LETTER REQUIRED
BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA,
OFFICE OF THE AUDITOR GENERAL**

To the Council Members of
Apalachee Regional Planning Council:

Report on the Financial Statements

We have audited the financial statements of the Apalachee Regional Planning Council (the "Council") as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated September 24, 2026.

Because the Council's management has not acquired an actuarial valuation to determine the amount of its OPEB (Other Postemployment Benefits) liability and has not presented such liability as of September 30, 2025, in its financial statements as required by accounting principles generally accepted in the United States of America, we have issued a qualified opinion on the Governmental Activities. The impact of such departure from generally accepted accounting principles would affect the deferred inflows, liabilities, deferred outflows, net position, and expenses in the Governmental Activities.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated September 24, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The name or official title and legal authority of the primary government and each component unit of the reporting entity is disclosed in the notes to the financial statements.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Council met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Council did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Additional Matters

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

Purpose of this Letter

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



Moran & Smith LLP
Tallahassee, Florida
September 24, 2026