

OMAHA-COUNCIL BLUFFS METROPOLITAN
AREA PLANNING AGENCY

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

JUNE 30, 2016

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Omaha - Council Bluffs Metropolitan Area Planning Agency
Omaha, Nebraska

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Omaha – Council Bluffs Metropolitan Area Planning Agency (MAPA), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise MAPA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of MAPA, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 1 through 6 and 24 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise MAPA's basic financial statements. The combining nonmajor fund financial statements, the schedule of expenditures of federal awards, 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 the Schedule of State of Iowa Financial Assistance are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining nonmajor fund financial statements, the schedule of expenditures of federal awards, 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 the Schedule of State of Iowa Financial Assistance are 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is 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 December 8, 2016, on our consideration of the MAPA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering MAPA's internal control over financial reporting and compliance.

Hamilton Associates, P.C.

Council Bluffs, Iowa
December 8, 2016

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year ending June 30, 2016

MAPA provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of financial activities is for the fiscal year ending June 30, 2016. We encourage readers to consider this information in conjunction with our financial statements, which follow.

FINANCIAL HIGHLIGHTS

MAPA's total governmental fund revenues were \$4,635,168 in fiscal year 2016, an increase of \$597,870 or 15% compared to fiscal year 2015. MAPA completed another flight for the Nebraska-Iowa Orthophotography project. MAPA collects funds from participating jurisdictions in Iowa and Nebraska to fund the \$1.4 million-dollar project. Much of the work was completed in June 2016. MAPA will collect from the jurisdictions and pay the consultant over three years including fiscal years 2016-2018. New revenue from this project helped to offset decreases in federal revenue including the Department of Housing and Urban development grant for the Heartland 2050 regional visioning project that was completed in fiscal year 2015. Currently, MAPA is implementing several large, long term studies. These studies vary in funding from year to year. A summary of some of these projects is included below. In 2016, approximately \$467,500 of federal funding was passed on to member jurisdictions.

Project Name	Funding Source	Total Project Cost	Project Years	Revenue		Change from Prior Year	
				2016	2015		
MAPA Transportation Planning activities	Department of Transportation		Annual funding	\$ 1,148,162	\$ 1,364,617	\$ (216,455)	-16%
MAPA Transportation Planning activities	Federal Transit Administration		Annual funding	709,411	723,210	(13,799)	-2%
Nebraska-Iowa Orthophotography Project	Local Support	\$ 1,413,896	2016-2019	1,413,896	-	1,413,896	100%
Heartland 2050 Sustainability Planning	Department of Housing and Urban Development	\$2.3 Million	2013-2015	-	530,741	(530,741)	-100%
Carter Lake Restoration	Iowa Department of Natural Resources, Nebraska Department of Environmental Quality	\$3.9 Million	2011-2015	-	34,650	(34,650)	-100%
Brownfields petroleum and hazardous substance assessment	Environmental Protection Agency	\$ 835,000	2013-2016	121,089	84,636	36,453	43%
Offut Airforce Base Joint Land Use Study	Department of Defense	\$ 225,000	2014-2016	92,867	111,545	(18,678)	-17%
Offut Airforce Base Joint Land Use Implementation	Department of Defence		2016-2017	6,191	-	6,191	100%
				\$ 3,491,616	\$ 2,849,399	\$ 642,217	23%

MAPA's governmental fund expenditures were \$4,336,136 in fiscal year 2016, an increase of \$438,168 or 11% compared to fiscal year 2015. A significant percentage of this increase is from Nebraska-Iowa Orthophotography project completed largely in fiscal year 2016. This \$1.4 million-dollar project is flown every three years and paid for with funds from participating jurisdictions. MAPA, along with Douglas County, administers the project.

The MAPA Foundation serves two primary functions: 1) it is designated as a Nonprofit Development Organization (NDO) and as such administers Community Development Block Grant (CBDG) loan programs 2) it supports the Metropolitan Area Motorist Assist program (MAMA). The MAMA program utilizes volunteers recruited and supervised by the Nebraska State Patrol to assist motorists stranded on the area's interstates and major highways. The volunteers help to alleviate the workload that would otherwise be the responsibility of local law enforcement. Providing timely and effective assistance to stranded motorists improves the safety and congestion on area metro roadways. The Foundation's total revenues in fiscal year 2016 were \$42,987 an increase of \$507 or 1% compared to fiscal year 2015. The Foundation's total expenses in fiscal year 2016 were \$42,607 an increase of \$23,094 or 118% compared to fiscal year 2015. The foundation purchased a vehicle to operate the MAMA program in 2016, but did not in 2015, contributing to the increase in expense from 2015.

MAPA's net position increased 16% or \$299,412 from June 30, 2015 to June 30, 2016. Much of the increase was for funds designated to multiple year projects.

USING THIS MD&A ANNUAL REPORT

This MD&A annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of MAPA financial activities.

Financial Statements consist of Statement of Net Position, Statement of Activities. Balance Sheet – Governmental Funds, Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds, Statement of Net Position-Proprietary Fund, Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Fund, Statement of Cash Flows – Proprietary Fund, Statement of Fiduciary Net Position – Fiduciary Fund and Statement of Changes in Fiduciary Assets – Fiduciary Funds. These provide information about the activities of MAPA as a whole and present an overall view of MAPA.

The Notes to financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information further explains and supports the financial statements with a comparison of MAPA's budget for the year, detail of the non-major funds and the Schedule of Expenditures of Federal Awards.

REPORTING FINANCIAL ACTIVITIES

Government-wide Financial Statements

Government-wide financial statements report information about MAPA as a whole, using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of MAPA's assets and liabilities. The purpose of this statement is to present a summary of MAPA to readers of the financial statements. The Statement of Activities accounts for all of current year's revenues and expenses, regardless of when cash is received or paid.

Two government-wide financial statements report MAPA's net position and how they have changed for the period. Net position, the difference between MAPA's assets and liabilities, are one way to measure organizational financial health or position. Over time, increases or decreases in net position are indicators of whether financial position is improving or deteriorating.

Fund Financial Statements

Fund financial statements provide more detailed information about MAPA's funds, focusing on the most significant funds and not the organization as a whole. Funds are accounting devices used to keep track of specific sources of funding and spending on particular programs. MAPA has three types of Funds:

Government funds: Most of MAPA's funds are included in governmental funds, which generally focus on (1) how cash and other financial assets that can be converted to cash, flow in and out, and (2) the balances that are left at year-end that are available for spending. Consequently, governmental fund statements provide a detailed short term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the organization's programs.

Governmental funds include the General Fund along with the non-major Project Fund, the Officials Expense Fund and Revolving Loan Fund. Required financial statements for governmental funds include a Balance Sheet and a Statement of Revenue, Expenditures and Changes in Fund Balances.

Enterprise funds include the MAPA Foundation and have business type activity.

Fiduciary funds: Fiduciary fund types are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organization, other governmental units, and/or other funds. MAPA's fiduciary fund is presented in the fiduciary fund financial statements for the pension trust fund for the employees' retirement program.

Required financial statements for fiduciary funds include a Statement of Fiduciary Net Assets-Fiduciary Fund and related Statement of Changes in Fiduciary Net Position-Fiduciary Funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Following is a summary of MAPA's net position for the year ended June 30, 2016 compared to June 30, 2015.

CONDENSED STATEMENT OF NET POSITION

	June 30,		Change from Prior Year	
	2016	2015		
Non-capital Assets	\$ 3,937,374	\$ 2,875,566	\$ 1,061,808	37%
Capital Asset	58,483	51,227	7,256	14%
Total Assets	<u>\$ 3,995,857</u>	<u>\$ 2,926,793</u>	<u>\$ 1,069,064</u>	<u>37%</u>
Liabilities	<u>\$ 1,822,565</u>	<u>\$ 1,052,913</u>	<u>\$ 769,652</u>	<u>73%</u>
Net Position				
Investments in capital assets, net of related debt	\$ 58,483	\$ 51,227	\$ 7,256	14%
Restricted	76,222	46,235	29,987	65%
Unrestricted				
Designated	757,081	531,734	225,347	42%
Undesignated	1,281,506	1,244,684	36,822	3%
Total net position	<u>\$ 2,173,292</u>	<u>\$ 1,873,880</u>	<u>\$ 299,412</u>	<u>16%</u>
Total liabilities and net position	<u>\$ 3,995,857</u>	<u>\$ 2,926,793</u>	<u>\$ 1,069,064</u>	<u>37%</u>

The following summary is a comparison of the changes in net position for the years ending June 30, 2016 and 2015.

CHANGES IN NET POSITION

	Year Ended June 30,		Change from Prior Year	
	2016	2015		
Revenues				
Federal and state	\$ 2,165,719	\$ 2,920,534	\$ (754,815)	-26%
Local governments	1,890,212	493,364	1,396,848	283%
Charges for services	122,988	72,771	50,217	69%
In-kind	305,949	459,994	(154,045)	-33%
Investment income	11,972	5,697	6,275	110%
Business-type activities	42,987	42,480	507	1%
Miscellaneous	138,328	84,938	53,390	63%
Total revenues	<u>\$ 4,678,155</u>	<u>\$ 4,079,778</u>	<u>\$ 598,377</u>	<u>15%</u>
Expenses				
Forums	\$ 195,946	\$ 214,745	\$ (18,799)	-9%
Transportation Planning	3,120,903	2,333,354	787,549	34%
Regional assistance	510,558	474,212	36,346	8%
Sustainability planning	150,091	603,782	(453,691)	-75%
Public involvement	147,240	96,769	50,471	52%
Administration	195,216	156,161	39,055	25%
Capital outlay	23,438	29,299	(5,861)	-20%
Business-type activities	42,607	19,513	23,094	118%
Total Expenses	<u>\$ 4,385,999</u>	<u>\$ 3,927,835</u>	<u>\$ 458,164</u>	<u>12%</u>
Adjustment for Capital Expenses	7,256	10,354	(3,098)	-30%
Changes in net position	\$ 299,412	\$ 162,297	\$ 137,115	84%
Beginning net position	<u>1,873,880</u>	<u>1,711,583</u>	<u>162,297</u>	<u>9%</u>
Ending net position	<u>\$ 2,173,292</u>	<u>\$ 1,873,880</u>	<u>\$ 299,412</u>	<u>16%</u>

The Changes in Net Position reflects an increase in the net position at the end of the fiscal year of \$299,412 or 16%. In 2016, MAPA received designated funding for multi-year projects such as the orthophotography project. This resulted in a positive change in net position.

CAPITAL ASSETS

MAPA net capital assets increased from \$51,227 to \$58,483 for the period ended June 30, 2016, an increase of \$7,256. In 2016, MAPA had \$23,438 in capital outlays for a new agency vehicle.

ECONOMIC FACTOR

MAPA relies on funding primarily from the U.S. Department of Transportation (USDOT). Continued funding of Transportation initiatives from USDOT and pass-through of those funds is necessary for MAPA to fulfill its mission.

CONTACTING MAPA FINANCIAL MANAGEMENT

This financial report is designed to provide our members, citizens and grant providers with a general overview of MAPA finances and operating activities. If you have any questions or require additional information, please contact the MAPA Executive Director, 2222 Cuming Street, Omaha NE 68102, (402)444-6866.

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

STATEMENT OF NET POSITION

June 30, 2016

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents (Note 2)	\$ 1,014,292	\$ 348,831	\$ 1,363,123
Investments	362,262	-	362,262
Accounts receivable	53,838	-	53,838
Due from other governmental agencies	1,865,713	-	1,865,713
Due from business-type activities	7,915	-	7,915
Prepaid expenses	28,889	-	28,889
Notes receivable	-	255,634	255,634
Capital assets, net (Note 4)	58,483	-	58,483
Total assets	<u>\$ 3,391,392</u>	<u>\$ 604,465</u>	<u>\$ 3,995,857</u>
LIABILITIES			
Accounts payable	\$ 946,646	\$ 281	\$ 946,927
Due to other governmental agencies	231,578	-	231,578
Due to governmental activities	-	7,915	7,915
Compensated absences	57,748	-	57,748
Accrued expenses	60,237	-	60,237
Revolving loan fund	-	282,162	282,162
Notes payable	-	235,998	235,998
Total liabilities	<u>\$ 1,296,209</u>	<u>\$ 526,356</u>	<u>\$ 1,822,565</u>
NET POSITION			
Investments in capital assets, net of related debt	\$ 58,483	\$ -	\$ 58,483
Restricted	76,222	-	76,222
Unrestricted			
Designated	678,972	78,109	757,081
Undesignated	1,281,506	-	1,281,506
Total net position	<u>\$ 2,095,183</u>	<u>\$ 78,109</u>	<u>\$ 2,173,292</u>
Total liabilities and net assets	<u>\$ 3,391,392</u>	<u>\$ 604,465</u>	<u>\$ 3,995,857</u>

See Notes to the Financial Statements

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016

	Program Revenues					Total
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental Activities						
Forums	\$ 195,946	\$ 4,788	\$ 308,662	\$ 117,504	\$ -	\$ 117,504
Transportation planning	3,120,903	34,892	3,190,252	104,241	-	104,241
Regional assistance	510,558	55,486	308,162	(146,910)	-	(146,910)
Sustainability planning	150,091	103	183,875	33,887	-	33,887
Public involvement	147,240	27,719	98,849	(20,672)	-	(20,672)
Administration	211,398	-	51,161	(160,237)	-	(160,237)
Total governmental activities	\$ 4,336,136	\$ 122,988	\$ 4,140,961	\$ (72,187)	\$ -	\$ (72,187)
Business-type Activities	42,607	-	42,987	-	380	380
	\$ 4,378,743	\$ 122,988	\$ 4,183,948	\$ (72,187)	\$ 380	\$ (71,807)
General Revenues						
Grants and contributions not restricted to specific programs				\$ 349,352	\$ -	\$ 349,352
Interest income				11,972	17	11,989
Other revenues				9,878	-	9,878
Transfers				-	-	-
Total general revenues				\$ 371,202	\$ 17	\$ 371,219
Change in net position				\$ 299,015	\$ 397	\$ 299,412
Net position, beginning				1,796,168	77,712	1,873,880
Net position, end of year				<u>\$ 2,095,183</u>	<u>\$ 78,109</u>	<u>\$ 2,173,292</u>

See Notes to the Financial Statements

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

BALANCE SHEET – GOVERNMENTAL FUNDS

June 30, 2016

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Non-major Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 828,127	\$ 139,909	\$ 46,256	\$ 1,014,292
Investment	362,262	-	-	362,262
Accounts receivables	53,838	-	-	53,838
Due from other governmental agencies	1,113,505	-	-	1,113,505
Due from general fund	-	138,804	4,095	142,899
Due from proprietary fund	7,915	-	-	7,915
Prepaid Expenses	28,889	-	-	28,889
	<u>\$ 2,394,536</u>	<u>\$ 278,713</u>	<u>\$ 50,351</u>	<u>\$ 2,723,600</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 188,331	\$ -	\$ -	\$ 188,331
Due to other governmental agencies	231,578	-	-	231,578
Due to general fund	-	-	-	-
Due to special revenue fund	138,804	-	-	138,804
Due to non-major funds	4,095	-	-	4,095
Compensated absences	57,748	-	-	57,748
Accrued expenses	60,237	-	-	60,237
Total liabilities	<u>\$ 680,793</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 680,793</u>
FUND BALANCES				
Restricted	\$ -	\$ 29,966	\$ 46,256	\$ 76,222
Committed	355,000	-	-	355,000
Assigned	71,130	248,747	4,095	323,972
Unassigned	1,287,613	-	-	1,287,613
Total fund balances	<u>\$ 1,713,743</u>	<u>\$ 278,713</u>	<u>\$ 50,351</u>	<u>\$ 2,042,807</u>
Total liabilities and fund balances	<u>\$ 2,394,536</u>	<u>\$ 278,713</u>	<u>\$ 50,351</u>	<u>\$ 2,723,600</u>

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS**

Total fund balances of governmental funds	\$ 2,042,807
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds	58,483
Governmental funds operate on the modified accrual basis as such revenues and expense are recognized when are collectible or payable in 60 days. This represents the difference in long term receivables and payables.	(6,107)
Fund balances reported in the statement of net position	<u>\$ 2,095,183</u>

See Notes to the Financial Statements

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2016

	General	Special Revenue Fund	Non-major Funds	Total Governmental Funds
REVENUES				
Federal and state	\$ 2,165,719	\$ -	\$ -	\$ 2,165,719
Local governments	436,299	701,688	-	1,137,987
Charges for services	122,988	-	-	122,988
In-kind	305,949	-	-	305,949
Investment income	11,858	93	21	11,972
Miscellaneous	9,878	128,450	-	138,328
Total revenues	\$ 3,052,691	\$ 830,231	\$ 21	\$ 3,882,943
EXPENDITURES				
Forums	\$ 192,372	\$ -	\$ 3,574	\$ 195,946
Transportation planning	1,864,925	497,663	-	2,362,588
Regional assistance	510,558	-	-	510,558
Sustainability planning	73,662	76,429	-	150,091
Public involvement	147,240	-	-	147,240
Administration	187,885	-	7,331	195,216
Capital outlay - Administration	23,438	-	-	23,438
Total expenditures	\$ 3,000,080	\$ 574,092	\$ 10,905	\$ 3,585,077
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ 9,655	\$ 9,655
Transfers out	(9,655)	-	-	(9,655)
Total other financing sources (uses)	\$ (9,655)	\$ -	\$ 9,655	\$ -
NET CHANGE IN FUND BALANCES	\$ 42,956	\$ 256,139	\$ (1,229)	\$ 297,866
FUND BALANCES, BEGINNING	1,670,787	22,574	51,580	1,744,941
FUND BALANCES, END OF YEAR	\$ 1,713,743	\$ 278,713	\$ 50,351	\$ 2,042,807

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

Net change in fund balances - total governmental funds	\$ 297,866
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This amount is the difference between capital outlays and depreciation.	7,256
Governmental funds operate on the modified accrual basis as such revenues and expenses are recognized when are collectible or payable in 60 days. This represents the difference in receipts on long term receivables and payments on long term payables.	(6,107)
	<u>\$ 299,015</u>

See Notes to the Financial Statements

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

STATEMENT OF NET POSITION - PROPRIETARY FUND

June 30, 2016

ASSETS

Current Assets

Cash	\$ 348,831
Current maturities - notes receivable	3,576
Total current assets	<u>\$ 352,407</u>

Non-current assets

Notes receivable, less current maturities	<u>\$ 252,058</u>
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Total assets	<u><u>\$ 604,465</u></u>
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LIABILITIES AND NET ASSETS

Current liabilities

Accounts payable	\$ 281
Due to other funds	7,915
Current maturities - notes payable	-
Revolving loan fund	282,162
	<u>\$ 290,358</u>

Non-current liabilities

Notes payable, less current maturities	<u>\$ 235,998</u>
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Total liabilities	<u>\$ 526,356</u>
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NET POSITION

Unrestricted	\$ 78,109
Restricted	<u>-</u>

Total net position	<u>\$ 78,109</u>
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Total liabilities and net position	<u><u>\$ 604,465</u></u>
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See Notes to the Financial Statements

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - PROPRIETARY FUND

For the Year Ended June 30, 2016

Operating Revenues	
Contributions	\$ 37,530
Service fees	<u>5,457</u>
Total operating revenues	<u>\$ 42,987</u>
Operating Expenses	
Motorist assist	\$ 36,835
Revolving loan administration	5,457
Miscellaneous	<u>315</u>
Total operating expenses	<u>\$ 42,607</u>
Operating income	<u>\$ 380</u>
Non-Operating Revenues (Expenses)	
Interest income	\$ 17
Transfers	<u>-</u>
Total non-operating revenues (expenses)	<u>\$ 17</u>
Change in net assets	\$ 397
Net Position, beginning	<u>77,712</u>
Net Position, ending	<u><u>\$ 78,109</u></u>

See Notes to the Financial Statements

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

STATEMENT OF CASH FLOWS - PROPRIETARY FUND

For the Year Ended June 30, 2016

Cash flows from Operating Activities	
Receipts from contributors	\$ 37,530
Receipt for services	-
Additions to revolving loan fund	50,116
Payments for services	(37,241)
Payments to other funds	<u>(3,296)</u>
Net cash flow from operating activities	<u>\$ 47,109</u>
Cash flows from investing activities	
Interest	\$ 17
Disbursements of notes receivable	-
Payments of notes receivable	3,576
Proceeds of long-term borrowings	-
Repayments on long-term borrowings	<u>-</u>
Net cash provided by investing activities	<u>\$ 3,593</u>
Net increase in cash	\$ 50,702
Cash, beginning of year	<u>298,129</u>
Cash, end of year	<u><u>\$ 348,831</u></u>

See Notes to the Financial Statements

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUND

June 30, 2016

ASSETS		
Investments		\$ 831,124
Receivables		
Employer	\$ 2,483	
Employee	1,876	
Participant loans	2,348	
Total Receivables	<u>6,707</u>	<u>6,707</u>
TOTAL ASSETS		<u>\$ 837,831</u>
NET ASSETS		
Held in trust for pension benefits		<u>\$ 837,831</u>

See Notes to the Financial Statements

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUND

For the Year Ended June 30, 2016

Additions	
Contributions	
Employer	\$ 56,234
Plan members	42,573
Total Contributions	<u>\$ 98,807</u>
Investment earnings (losses)	\$ (22,173)
Loan interest	<u>123</u>
Total additions	\$ 76,757
Deductions	
Benefits paid	\$ 5,773
Forfeiture used to reduce employer contributions	<u>3,498</u>
Total deductions	<u>\$ 9,271</u>
CHANGE IN NET ASSETS	\$ 67,486
NET ASSETS, BEGINNING OF YEAR	<u>770,345</u>
NET ASSETS, END OF YEAR	<u><u>\$ 837,831</u></u>

See Notes to the Financial Statements

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2016

Note 1. Summary of Significant Accounting Policies

a. Organization:

MAPA was established in June 1967, as a voluntary three-county regional council of governments under the Nebraska Interlocal Cooperation Act of 1963. The initial three counties comprising MAPA were Douglas and Sarpy counties in Nebraska, and Pottawattamie County in Iowa. Washington County, Nebraska and Mills County, Iowa entered into the Interlocal Cooperation Agreement in 1975 and 1976, respectively.

The operations of MAPA are financed through various federal and state grants and assessments to its members. The Interlocal Cooperation Agreement, as amended, provides that the assessments to each of the five participating counties be determined on a pro rata basis using population figures from the latest official census.

b. Reporting Entity:

MAPA has given consideration to potential component units for which it is financially accountable. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of the Organization's governing body and the ability of the MAPA to impose its will on that Organization to provide specific financial benefits to, or impose specific financial burdens on the Organization. As required by accounting principles generally accepted in the United States of America, these financial statements present MAPA (the primary government) and its component unit. The component unit is included in MAPA's reporting entity because of the significance of their operational or financial relationships with MAPA. The associated entity over which MAPA is considered to be financially accountable is included in MAPA's financial statements and is described below.

Blended Component Unit - The MAPA Foundation is a legally separate entity from MAPA, but is so intertwined with MAPA that it is, in substance, the same as the Organization. It is reported as a part of MAPA as a Proprietary Fund.

c. Financial Statements:

MAPA's financial statements include both government-wide (reporting MAPA as a whole) and fund financial statements (reporting MAPA's major funds). Both government-wide and fund financial statements categorize primary activities as either government or business type.

Government-Wide Statements:

In the statement of net assets, the governmental activities column is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. MAPA's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

The statement of activities reports both the gross and net cost of each of MAPA's functions. General government revenues also support the functions. The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary grants while the capital grants reflect capital-specific grants.

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2016

Note 1. Summary of Significant Accounting Policies (Continued)

The net costs (by function) are normally covered by general revenue. The government-wide focus is more on the sustainability of MAPA as an entity and the change in MAPA's net assets resulting from current year's activities.

Fund Financial Statements:

The financial transactions of MAPA are reported as individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in the governmental activities category. Non-major funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category) for the determination of major funds.

The following fund types are used by MAPA:

Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of MAPA.

General Fund – The primary operating fund is used to account for current financial resources not accounted for in other funds.

Special Revenue Funds – The special revenue fund consists of funding from local jurisdictions to support regional planning and GIS projects. The revolving loan fund consists of funding from various local jurisdictions available to provide loans to eligible businesses and economic development projects. The officials' expense provides for the funding and support of activities, travel, and other expenses related to the elected and appointed officials of MAPA or their designated alternate. Transfers to this fund are from earnings on treasury bills and various other non-governmental revenues.

MAPA designates fund balances in the Governmental Funds as follows:

Restricted - The fund balance is restricted by external impositions such as creditors, grantors, or laws or regulations of other governments.

Committed - The fund balance has been designated by the Board for a specific purpose.

Assigned - The fund balances has not been designated by the Board for a specific purpose, but has been separated based on the type of revenue.

Unassigned - The portion of the General Fund not restricted, committed, or assigned for a specific purpose.

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2016

Note 1. Summary of Significant Accounting Policies (Continued)

Enterprise Funds:

MAPA Foundation - The MAPA Foundation provides for the funds and support of the safety program, Metro Area Motorist Assist Program, and for the education of local elected and appointed officials for alternative methods to deliver programs and projects. The Foundation is designated as a National Development Organization (NDO). As a NDO the Foundation administers Community Development Block Grant Loan programs.

Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support MAPA programs. The reporting focus is on net assets and changes in net assets and are reported using accounting principles similar to proprietary funds.

MAPA's fiduciary fund is presented in the fiduciary fund financial statements for the pension trust fund. Since by definition these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

d. Basis of Accounting:

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

Accrual – The governmental activities in the government-wide financial statements, proprietary fund financial statements and the fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual – The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e. both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

e. Investments:

Investments are stated at fair value. Investments in the Pension Trust Fund are carried at fair value and are administered by a third party.

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2016

Note 1. Summary of Significant Accounting Policies (Continued)

f. Capital Assets:

Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line method over the following estimated useful lives: furniture, fixtures, and equipment at 5-7 years and automobiles at 5 years.

g. Accrued Compensated Absences:

Employees accumulate earned but unused vacation and sick pay benefits. Vacation pay is expected to be liquidated with expendable available financial resources and is reported as an expenditure and a liability of the General Fund. Accumulated sick pay is recorded at the maximum amount allowed as a termination payment, using the termination payment method.

h. Budgets:

The board of directors adopts an annual budget for its General Fund. The amount appropriated for expenditures represents the expenditure limit. Original appropriations are modified by transfers among budget categories or by increases in funding sources. The board of directors approves the original budget and all significant changes.

i. Income Taxes:

MAPA is a governmental subdivision of the State of Nebraska and, accordingly, no provision for federal or state income taxes is required.

j. Reported Reimbursable Costs:

Revenue is received from federal, state, and county sources, and is based on reported costs as defined by the funding sources and on provision of services. The accompanying financial statements reflect reported costs, which are subject to review by the funding sources and contractors. In the opinion of management, reported costs represent proper costs as defined by funding contract criteria and the various funding sources or contractors have questioned no amounts reported at June 30, 2016.

k. Accounting Estimates:

The preparation of purpose financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

l. Subsequent Events:

MAPA has evaluated subsequent events through December 8, 2016, the date on which the financial statements were issued. MAPA has concluded there are no subsequent events, which have occurred from June 30, 2016 through December 8, 2016 which require additional disclosure.

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

Note 2. Cash and Short-term Investments

a. Deposits:

At year end, MAPA's carrying amount of deposits was \$447,806. The bank balances for all funds totaled \$447,880. For purposes of classifying categories of custodial risk, the bank balances of MAPA's deposits, as of June 30, 2016, \$21 held with Paypal were not insured or collateralized.

MAPA also had \$895,296 deposited in the Nebraska Public Agency Investment Trust (NPAIT). NPAIT is a public entity investment pool operated under the direction of a seven member Board of Trustees. Securities held by NPAIT are not held in MAPA's name, are held in a pooled fund and, therefore, are not categorized as to credit risk.

b. Investments:

As of June 30, 2016, MAPA had the following investments.

Investment Name	Maturity	Credit Rating	Fair Value
Certificate of Deposit	9/11/2017	N/A	\$ 100,977
Certificate of Deposit	9/4/2018	N/A	101,981
Certificate of Deposit	7/23/2019	N/A	108,208
Certificate of Deposit	5/1/2020	N/A	<u>51,096</u>
			<u>\$ 362,262</u>

Interest Rate Risk – MAPA's investment goal, as a political subdivision, is to focus on minimizing risk, rather than maximizing funds. In order to control interest rate risk MAPA's investment policy limits the maturity of its investments. The maturity date of any investment shall not exceed ten years. Funds restricted for agency closing costs shall have the following limitations related to maturity dates: At least 25% shall have a maturity date of two years or less. At least 50% shall have a maturity date of 5 years or less.

Credit Risk - State law limits requires all investments to be fully insured or collateralized. MAPA's investment policy limits its investment choices to certificates of deposit, treasury bonds and notes, and NPAIT deposit accounts. The chart above notes the Moody's Investors Service credit ratings as of June 30, 2016.

Concentration of Credit Risk - MAPA places no limit on the amount it may invest in any one issuer. All of MAPA's investments are in Certificates of Deposit as of June 30, 2016.

Investments in Employee's Retirement System:

Investments in the employees' retirement system are carried at fair value. At June 30, 2016, the balances of investments in the employees' retirement system were \$837,831. The investments consist of mutual funds and similar pooled arrangements and, therefore, are not categorized as to credit risk.

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2016

Note 3. Notes Receivable, Notes Payable and Revolving Loan Fund

The MAPA Foundation contracts with its members to administer their Community Development Block Grant loan programs. As part of the grant, federal funds are loaned to eligible businesses for business growth and development. The loans are lent at 0% interest. As of June 30, 2016, \$255,634 remained in notes receivable of which \$235,998 may be forgiven at the completion of a successful job maintenance period. As of June 30, 2016, MAPA owed the state fund \$235,998, which may be forgiven at the completion of a successful job maintenance period. As of June 30, 2016, MAPA had collected \$282,162 for revolving fund loans from multiple projects. The funds MAPA collects on the second set of loans is then considered unrestricted.

Note 4. Capital Assets

Capital asset activity for the year ended June 30, 2016 is as follows:

	<u>Beginning Balance</u>		<u>Additions</u>		<u>Disposals</u>		<u>Ending Balance</u>
Furniture, fixtures, and equipment	\$ 139,223	\$	-	\$	-	\$	139,223
Automobiles	<u>27,777</u>		<u>23,438</u>		-		<u>51,215</u>
	\$ 167,000	\$	<u>23,438</u>	\$	-	\$	<u>190,438</u>
Less Accumulated Depreciation	<u>(115,773)</u>		<u>(16,182)</u>		-		<u>(131,995)</u>
	<u>\$ 51,227</u>	\$	<u>7,256</u>	\$	-	\$	<u>58,483</u>

Note 5. Retirement Plan

In June 1976, the board of directors approved the MAPA employees' retirement program (a money-purchase pension plan). This plan, known as the MAPA Pension Trust, is a defined contribution plan. Participation in the plan is mandatory for employees hired after July 1, 1976. A minimum of 9.5% of each eligible employee's annual compensation is contributed to the plan. 5.5% of the contribution is made by MAPA and the employee makes 4%. Employees may also make voluntary contributions not to exceed an additional 6% of their annual compensation. The current year covered payroll was \$1,019,770 and the total current year payroll was \$1,081,556. At June 30, 2016, the retirement plan had assets with a fair value of \$837,831. The participants are 100% vested in employee contributions. Employer contributions vest over a five-year period. During the current year the employer contributed \$56,234. The employees contributed \$42,573, of which \$40,897 (4.0% of covered payroll) was regular contributions and \$1,676 was employee voluntary contributions and sick leave paid out.

Note 6. Deferred Compensation Plan

MAPA sponsors a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all MAPA employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, total and permanent disability, retirement, death, or unforeseeable emergency. The plan assets are held in trust by a third party for the employees and are not reflected in these financial statements.

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2016

Note 7. Lease Commitments

MAPA leases office space and one piece of equipment under non-cancelable operating leases. The scheduled future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	
2017	<u>\$ 76,138</u>

Lease expenditures paid were \$74,784 for the year ended June 30, 2016.

Note 8. Net Position

Restricted and designated net position as of June 30, 2016 is as follows:

	Governmental Activities	Business-type Activities	Total
Restricted			
Revolving Loan Fund	\$ 46,256	\$ --	\$ 46,256
Foundation grants	29,966	--	29,966
Total Restricted	<u>\$ 76,222</u>		<u>\$ 76,222</u>
Unrestricted, Designated			
Projected agency operating and closing costs in the event MAPA would cease operations	\$ 355,000	\$ --	\$ 355,000
Local match for federal aid projects	27,397	--	27,397
Nebraska-Iowa Regional Orthophotography Consortium (NIROC)	262,216	--	262,216
Heartland 2050	17,259	--	17,259
Heartland Active Transportation Summit	13,005	--	13,005
Officials Expense Fund	4,095	--	4,095
Metropolitan Area Motorist Assist (MAMA)	--	78,109	78,109
Total Unrestricted, Designated	<u>\$ 678,972</u>	<u>\$ 78,109</u>	<u>\$ 757,081</u>

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2016

Note 9. Transfers

Transfers from the General Fund to the Non-Major Funds consisted of \$9,655 for the Officials Fund.

Note 10. Risk Management

MAPA is exposed to various risk of loss related to torts, theft, damage or destruction of assets, errors or omissions, injuries to employees, and risks normally associated with a governmental subdivision. These risks are transferred to independent insurance carriers and no self-insurance program is maintained by MAPA beyond normal insurance policy deductible provisions.

Note 11. Commitments and Contingent Liabilities

MAPA participates in a number of federally assisted grant programs. Compliance with the grants is subject to audit by various government agencies, which may impose sanctions in the event of noncompliance. Management believes that they have complied with all aspects of the various grant provisions and the results of adjustments, if any, relating to such audits would be immaterial to the accompanying combined financial statements.

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

**COMPARISON OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GENERAL FUND**

For the Year Ended June 30, 2016

	<u>Budget Original</u>	<u>Budget Final</u>	<u>Actual Amounts</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES				
Federal and state	\$ 3,672,094	\$ 3,734,249	\$ 2,165,719	\$ (1,568,530)
Local governments	1,069,452	1,069,452	436,299	(633,153)
Charges for services	188,311	188,311	122,988	(65,323)
In-kind	273,881	273,881	305,949	32,068
Investment income	-	-	11,858	11,858
Miscellaneous	-	-	9,878	9,878
Total revenues	<u>\$ 5,203,738</u>	<u>\$ 5,265,893</u>	<u>\$ 3,052,691</u>	<u>\$ (2,213,202)</u>
EXPENDITURES				
Forums	\$ 239,763	\$ 249,763	\$ 192,372	\$ 57,391
Transportation planning	3,817,275	3,875,680	1,864,925	2,010,755
Regional assistance	646,910	646,910	510,558	136,352
Sustainability planning	282,540	282,540	73,662	208,878
Public involvement	131,500	125,250	147,240	(21,990)
Administration	85,750	85,750	211,323	(125,573)
Total expenditures	<u>\$ 5,203,738</u>	<u>\$ 5,265,893</u>	<u>\$ 3,000,080</u>	<u>\$ 2,265,813</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	(9,655)	(9,655)
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,655)</u>	<u>\$ (9,655)</u>
NET CHANGE IN FUND BALANCES	\$ -	\$ -	\$ 42,956	\$ 42,956
FUND BALANCES, BEGINNING	<u>1,670,787</u>	<u>1,670,787</u>	<u>1,670,787</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,670,787</u>	<u>\$ 1,670,787</u>	<u>\$ 1,713,743</u>	<u>\$ 42,956</u>

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

June 30, 2016

	<u>Revolving Loan Fund</u>	<u>Officials Expense Fund</u>	<u>Total Non- major Funds</u>
ASSETS			
Cash and cash equivalents	\$ 46,256	\$ -	\$ 46,256
Due from general fund	-	4,095	4,095
	<u>\$ 46,256</u>	<u>\$ 4,095</u>	<u>\$ 50,351</u>
FUND BALANCES			
Restricted	\$ 46,256		\$ 46,256
Assigned		4,095	4,095
	<u>\$ 46,256</u>	<u>\$ 4,095</u>	<u>\$ 50,351</u>
Total liabilities and fund balances	<u>\$ 46,256</u>	<u>\$ 4,095</u>	<u>\$ 50,351</u>

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2016

	<u>Revolving Loan Fund</u>	<u>Officials Expense Fund</u>	<u>Total Non- major Funds</u>
REVENUES			
Investment income	\$ 21	\$ -	\$ 21
Miscellaneous	-	-	-
Total revenues	<u>\$ 21</u>	<u>\$ -</u>	<u>\$ 21</u>
EXPENDITURES			
Forums	\$ -	\$ 3,574	\$ 3,574
Administration	-	7,331	7,331
Total expenditures	<u>\$ -</u>	<u>\$ 10,905</u>	<u>\$ 10,905</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ -	9,655	\$ 9,655
Transfers out	-	-	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ 9,655</u>	<u>\$ 9,655</u>
NET CHANGE IN FUND BALANCES	\$ 21	\$ (1,250)	\$ (1,229)
FUND BALANCES, BEGINNING	<u>46,235</u>	<u>5,345</u>	<u>51,580</u>
FUND BALANCES, END OF YEAR	<u>\$ 46,256</u>	<u>\$ 4,095</u>	<u>\$ 50,351</u>

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

SCHEDULE OF STATE OF IOWA FINANCIAL ASSISTANCE

For the Year Ended June 30, 2016

Iowa Department of Economic Development

Iowa Councils of Governments Assistance

Contract Number: 2014-COG-01

\$ 11,765

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2016

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Agreement Number	Expenditures
Economic Development Administration, Department of Commerce			
Direct Program			
Economic Development Support for Planning Organizations	11.302	05-83-05705	\$ 60,000
Total Economic Development Administration			<u>\$ 60,000</u>
Department of Defense			
Direct Programs			
Community Economic Adjustment Assistance for Compatible Use and Joint Land Use Studies	12.610	EN1317-14-01	\$ 92,867
	12.610	EN1317-16-02	6,191
Total Department of Defense			<u>\$ 99,058</u>
U.S. Department of Transportation			
Direct Program			
Federal Transit Cluster			
Federal Transit Capital Investment Grants	20.500	NE-04-0006-00	\$ 7,108
Transit Service Program Cluster			
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	NE-16-x039-00	\$ 75,858
Job Access-Reverse Commute	20.516	NE-37-x008-03	36,633
New Freedom Program	20.521	NE-57-x008-03	15,603
Public Transportation Research, Technical Assistance and Training	20.514	NE-26-0004-00	\$ 9,779
Passed-Through			
Nebraska Department of Roads			
Metropolitan Transportation Planning	20.505	C990(015)	\$ 28,349
Metropolitan Transportation Planning	20.505	C990(016)	478,665
Iowa Department of Transportation			
Metropolitan Transportation Planning	20.505	16MPO-MAPA	\$ 34,151
Formula Grants for Rural Areas	20.509	16RPA-18	23,265
Total Federal Transit Administration			<u>\$ 709,411</u>
Passed-Through			
Nebraska Department of Roads			
Highway Planning and Construction	20.205	VL1503	\$ 818,132
Highway Planning and Construction	20.205	BM1203	35,063
Highway Planning and Construction	20.205	BN1213	134,367
Highway Planning and Construction	20.205	BM1227	103
Iowa Department of Transportation			
Highway Planning and Construction	20.205	16MPO-MAPA	\$ 124,459
Highway Planning and Construction	20.205	16RPA-18	36,038
Total U.S. Department of Transportation			<u>\$ 1,148,162</u>

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2016

Federal Grantor/Pass-Through <u>Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Agreement Number</u>	<u>Expenditures</u>
Environmental Protection Agency			
Direct Program			
Brownfields Assessment and Cleanup Cooperative	66.818	BF-97727801-0	\$ 75,922
Agreements	66.818	BF-97727901-0	<u>45,167</u>
Total Environmental Protection Agency			<u>\$ 121,089</u>
 TOTAL EXPENDITURES OF FEDERAL AWARDS			 <u><u>\$ 2,137,720</u></u>

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2016

Note 1. Summary of Significant Accounting Policies

The supplementary schedule of expenditures of federal awards relates to the federal grant programs which are administered by the Omaha – Council Bluffs Metropolitan Area Planning Agency. The programs' accounting records are maintained on the accrual method of accounting. Grant revenue is recognized when the grant funds are earned and expenditures are recognized when the obligation is incurred.

The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Expenses are subject to audit by the U.S. Government, and in the opinion of management, disallowed costs, if any, will not have a material effect on the financial position of the Omaha – Council Bluffs Metropolitan Area Planning Agency or its federal grant programs.

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, Omaha – Council Bluffs Metropolitan Area Planning agency provided federal awards to subrecipients as follows:

Program Title	CFDA	
Highway Planning and Construction	20.205	341,666
Metropolitan Transportation Planning	20.505	160,000
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	67,584
Job Access-Reverse Commute	20.516	36,633
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	7,596
		<u> </u>
		\$ 613,479

Note 3. Loans Outstanding

The MAPA Foundation had the following loan balance outstanding at June 30, 2016. These loan programs are also included in the federal expenditures presented in the Schedule of Federal Awards.

<u>Program Title</u>	<u>CFDA</u>	<u>Amount</u>
Community Development Block Grants/State's Program	14.228	\$ 235,998

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

To the Board of Directors
Omaha – Council Bluffs Metropolitan Area Planning Agency
Omaha, Nebraska

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 Omaha – Council Bluffs Metropolitan Area Planning Agency (MAPA) as of and for the year ended June 30, 2016, and have issued our report thereon dated December 8, 2016.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Hamilton Associates, P.C.

Council Bluffs, Iowa
December 8, 2016

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors
Omaha – Council Bluffs Metropolitan Area Planning Agency
Omaha, Nebraska

Report on Compliance for Each Major Federal Program

We have audited Omaha – Council Bluffs Metropolitan Area Planning Agency's (MAPA) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of MAPA's major federal programs for the year ended June 30, 2016. MAPA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of MAPA's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about MAPA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of MAPA's compliance.

Opinion on Each Major Federal Program

In our opinion, MAPA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

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

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

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

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

Hamilton Associates, P.C.

Council Bluffs, Iowa
December 8, 2016

OMAHA-COUNCIL BLUFFS METROPOLITAN AREA PLANNING AGENCY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2016

I. Summary of Auditor's Results:

Financial Statements:

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified:	No
Significant deficiency(ies) identified?	None Reported
Noncompliance material to financial statements noted:	No

Federal Awards:

Internal control over major programs:	
Material weaknesses identified:	No
Significant deficiency(ies) identified?	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	No

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>	<u>Expenditures</u>
Highway Planning and Construction	20.205	\$ 1,148,162

Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000
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Auditee qualified as low-risk auditee?	Yes
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II. Financial Statement Findings

None reported

III. Findings and Questioned Costs for Federal Awards

None reported