



Bringing Communities Together

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MEMORANDUM

Date: December 1, 2009
To: NEFRC Personnel, Budget, and Finance Policy Committee
From: Donna Starling^{DS}, Chief Financial Officer
Re: December 3, 2010, Committee Meeting – **CANCELLED**

The Personnel, Budget, and Finance Policy Committee meeting scheduled for
Thursday, December 3, 2009,
has been **CANCELLED.**

Northeast Florida Regional Council

PERSONNEL, BUDGET & FINANCE
POLICY COMMITTEE

INFORMATION PACKET

A G E N D A

Northeast Florida Regional Council
6850 Belfort Oaks Place
Jacksonville, Florida 32216

Thursday, December 3, 2009
9:30 a.m.

(ADDED OR MODIFIED ITEMS IN BOLD)
(*Denotes Action Required)

TAB

1. Call to order, Welcome, Roll Call and Pledge – Chair Williams
- *2. Approval of November 5, 2009 Meeting’s Minutes – Chair Williams1
- *3. October 2009 Financial Report – Donna Starling2
4. MD&A for Audit – Donna Starling3
5. Next Meeting Date and Location: **Thursday, January 7, 2010**
Northeast Florida Regional Council
6850 Belfort Oaks Place
Jacksonville, Florida 32216
6. Adjournment

***Denotes Action Item**

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NORTHEAST FLORIDA REGIONAL COUNCIL
Personnel, Budget, and Finance Policy Committee
November 5, 2009

MINUTES

A meeting of the Northeast Florida Regional Council (NEFRC) Personnel, Budget, and Finance Policy Committee was held on Thursday, **November 5, 2009**, at 9:45 a.m., at the Northeast Florida Regional Council, 6850 Belfort Oaks Place, Jacksonville, Florida 32216. **President Griffis** called the meeting to order with the following members present representing a quorum:

Mike Griffis	Hugh Fish	Chip Laibl
Jane Miller	Wendell Davis	

Excused: Councilman Bishop, Mr. Sgroi, Mr. Williams

Staff Present: Donna Starling, Mario Taylor and Sheron Forde

*Approval of Minutes

President Griffis called for a motion on the October 1, 2009 minutes. Mr. Fish moved approval, seconded by Ms. Miller; motion passed unanimously.

*September 2009 Financial Report

Ms. Starling reported that the Council posted a net income of \$4,181 for the month of September, with a year-to-date unaudited net loss of \$117,431. She stated that revenues and expenses for the month of September were \$500,959 and \$468,481 respectively. A brief discussion followed.

Commissioner Laibl commended staff on their efforts in remaining fiscally sound during these difficult economic times.

President Griffis called for a motion on the September 2009 Financial Report. Mr. Fish moved approval, seconded by Commissioner Laibl; motion passed unanimously.

Other Business

None.

Next Meeting Date and Location

The next meeting is scheduled for Thursday, December 3, 2009, at 9:00 a.m., at the Northeast Florida Regional Council, 6850 Belfort Oaks Place, Jacksonville, Florida 32216.

Adjournment

There being no further business before the Committee; the meeting was adjourned at 9:55 a.m.

Agenda

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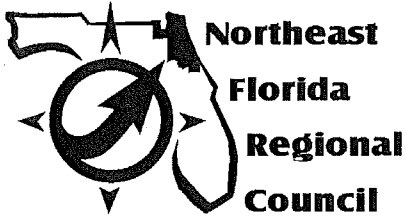
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Bringing Communities Together

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MEMORANDUM

DATE: November 25, 2009
TO: Northeast Florida Regional Council
THRU: Hugh D. Fish, Secretary/Treasurer
FROM: Donna Starling, ^{DS} Chief Financial Officer
RE: October 2009 Financial Report

As anticipated and reported last month, the Northeast Florida Regional Council posted a Net Income of \$15,613 for the month of October and a Year to Date Net Income of \$15,613. Revenues for the month of October were \$169,554. Expenses for the month were \$153,942.

Regional Council - Agencywide	Adopted Budget 09/10	October, 2009	YTD	Represents 8% of Fiscal Year	Budget Variance
Revenues					
Planning and Development	\$ 797,035	58,760	58,760	7%	-1%
Emergency Preparedness	\$ 1,340,648	50,381	50,381	4%	-4%
County	\$ 623,091	51,924	51,924	8%	0%
North Florida Procurement Association	\$ 20,000	282	282	1%	-7%
Tenant Revenue	\$ 104,000	8,104	8,104	8%	0%
Anticipated Revenue/Other	\$ -	102	102	0%	0%
TOTAL REVENUES	\$ 2,884,775	\$ 169,554	\$ 169,554		

Expenses					
Salaries and Fringe	\$ 1,617,787	123,309	123,309	8%	0%
Contract/Grant Direct Expenses	\$ 668,217	(3,424)	(3,424)	-1%	-9%
Common/Indirect - Allocated Expenses*	\$ 400,438	24,207	24,207	6%	-2%
General Fund Expense*	\$ 198,333	9,850	9,850	5%	-3%
TOTAL EXPENSES	\$ 2,884,775	\$ 153,942	\$ 153,942		
Net Income (loss)	\$ -	15,613	\$ 15,613		

*Excludes Salaries & Fringe

Planning and Development	Adopted Budget 09/10	October, 2009	YTD	Represents 8% of Fiscal Year	Budget Variance
Revenues					
Local Gov't T.A./DCA	\$ 322,591	44,400	44,400	14%	6%
DRI	\$ 137,500	4,376	4,376	3%	-5%
TD	\$ 114,888	5,766	5,766	5%	-3%
SHIP	\$ 72,000	3,480	3,480	5%	-3%
CEDS	\$ 53,000	163	163	0%	-8%
Regional Leadership	\$ 2,400	-	-	0%	-8%
Anticipated Revenue	\$ 94,656	575	575	1%	-7%
TOTAL REVENUES	\$ 797,035	\$ 58,760	\$ 58,760	7%	
Expenses					
Salaries/Fringe	\$ 463,244	37,951	37,951	8%	0%
Direct	\$ 41,550	987	987	2%	-6%
Common/Indirect	\$ 292,241	20,566	20,566	7%	-1%
TOTAL EXPENSES	\$ 797,035	\$ 59,504	\$ 59,504	7%	
Net Profit (Loss)	\$ -	\$ (743)	\$ (743)		

Emergency Preparedness	Adopted Budget 09/10	October, 2009	YTD	Represents 8% of Fiscal Year	Budget Variance
Revenues					
Emergency Preparedness Local TA	\$ 116,000	10,592	10,592	9%	1%
Hurricane Study	\$ 250,000	(14,811)	(14,811)	-6%	-14%
DCA LEPC	\$ 40,909	3,355	3,355	8%	0%
HMEP	\$ 30,000	119	119	0%	-8%
Terrorism Statewide Coordination	\$ 105,000	-	-	0%	-8%
SQG	\$ 9,000	-	-	0%	-8%
SHSGP Terrorism	\$ 90,000	4,810	4,810	5%	-3%
DEM TA	\$ 171,000	5,578	5,578	3%	-5%
Infrastructure Assessments	\$ 215,000	19,809	19,809	9%	1%
USAI Program	\$ 100,000	-	-	0%	-8%
FDLE Workshop	\$ 15,000	-	-	0%	-8%
State Technical Assistance	\$ 40,000	(1)	(1)	0%	-8%
Other Revenue	\$ 158,739	20,930	20,930	13%	5%
TOTAL REVENUES	\$ 1,340,648	\$ 50,381	\$ 50,381	4%	
Expenses					
Salaries/Fringe	\$ 403,664	31,616	31,616	8%	0%
Direct	\$ 605,450	(4,623)	(4,623)	-1%	-9%
Common/Indirect	\$ 331,534	23,401	23,401	7%	-1%
TOTAL EXPENSES	\$ 1,340,648	\$ 50,395	\$ 50,395	4%	
Net Profit (Loss)	\$ -	\$ (13)	\$ (13)		

Northeast Florida Regional Council
 Balance Sheet
 October 2009

	<u>FY 08/09</u> <u>October 2008</u>	<u>FY 09/10</u> <u>October 2009</u>
ASSETS		
Cash*	2,470,219	1,864,391
Accounts Receivable	600,455	515,731
Due from other funds - BDC	47,117	-
Closing Cost	9,667	8,667
Total Current Assets	<u>3,127,458</u>	<u>2,388,788</u>
Property and Equipment:		
Office furniture and equipment	731,988	686,333
Software	115,200	115,200
Land	271,910	271,910
Construction in Progress	1,039	-
Building	1,928,090	1,928,090
Building improvements	467,166	930,081
	<u>1,103,071</u>	<u>1,166,537</u>
Less accumulated depreciation	<u>1,103,071</u>	<u>1,166,537</u>
Total Property and Equipment, net	<u>2,412,322</u>	<u>2,765,076</u>
Total Assets	<u><u>5,539,780</u></u>	<u><u>5,153,865</u></u>
LIABILITIES		
Accounts payable	3,132	32,878
Accrued salaries and leave	80,519	66,510
Regional Council Deferred Revenue	1,231,614	1,001,504
Tenant deposits	8,232	8,232
Notes payable	1,937,914	1,864,202
Total Liabilities	<u><u>3,261,412</u></u>	<u><u>2,973,327</u></u>
EQUITY		
Equity and Other Credits:		
Retained earnings	2,278,368	2,180,539
Total Equity and Other Credits	<u>2,278,368</u>	<u>2,180,539</u>
Total Liabilities, Equity and Other Credits	<u><u>5,539,780</u></u>	<u><u>5,153,865</u></u>

* Cash includes advance funding for the Hurricane Evacuation contract and building note proceeds that will be used for the roof replacement.

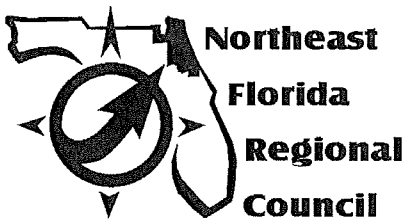
YTD Comparison

08/09

09/10

AGENCYWIDE

October	\$ (3,978)	\$ 15,613
November	\$ (6,955)	
December	\$ (25,896)	
January	\$ (36,757)	
February	\$ (69,465)	
March	\$ (83,952)	
April	\$ (106,496)	
May	\$ (133,288)	
June	\$ (153,349)	
July	\$ (159,945)	
August	\$ (149,899)	
September	\$ (117,431)	



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MEMORANDUM

DATE: November 25, 2009
TO: Northeast Florida Regional Council
FROM: Donna Starling, ^{DS} Chief Financial Officer
RE: October Investment Report

Sweep Account Interest	FY 08/09	FY 09/10
October Interest	\$ 740	\$ 111
Year to Date Interest	\$ 740	\$ 111
Florida Local Government Investment Trust		
	FY 08/09	FY 09/10
Current Balance	\$14,705	\$15,265

Agenda

Item

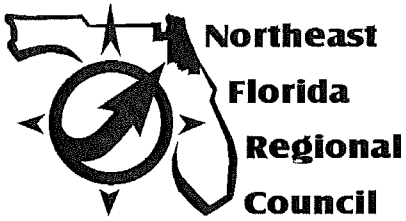
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MEMORANDUM

DATE: November 25, 2009

TO: Northeast Florida Regional Council

THRU: Hugh D. Fish, Secretary/Treasurer

FROM: Donna Starling,^{DS} Chief Financial Officer

RE: MD&A for Audit

Enclosed is the Management Discussion and Analysis (MD&A) which will be included in the Council's audit for fiscal year 2008/2009. For your information, this document provides an overview of the financial activities of the Council for the fiscal year.

Management's Discussion and Analysis

As management of the Northeast Florida Regional Council (the Council), we offer readers of the Council's financial statements this narrative overview and analysis of the financial activities of the Council for the fiscal year 2009. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Council's financial statements, which follow this narrative.

Financial Highlights

- The assets of the Council exceeded its liabilities at the close of the fiscal year by \$2,164,926.
- The Council's net assets decreased by \$159,139.
- The Council's total assets decreased by \$564,439 in large part due to a decrease in cash associated with advance funding from prior year that was expensed in this fiscal year for the Statewide Regional Evacuation Study. Accounts receivable also decreased as a result of more aggressive invoicing procedures.
- The Council's total liabilities decreased by \$405,300. The decrease is mainly attributed to decreases in deferred revenue for the Statewide Regional Evacuation Study as advanced funding from prior year was expensed this fiscal year. There was also a decrease in long-term liabilities due to a reduction in the principal balance of the building note.
- In May 2009 the Business Development Corporation terminated its administrative service agreement with the Council.
- County dues for fiscal year 2009 were \$623,091. An increase of \$17,066 from the previous year.
- The Council replaced the building roof using building note proceeds from fiscal year 2008. The roof replacement was completed in June 2009.
- The Council only received \$192,403 of the Department of Community Affairs' planning grant of \$213,063 for fiscal year 2009 as a result of State budget reductions.
- The Council entered into an agreement with the federal Department of Commerce Economic Development Administration (EDA) in the amount of \$30,277, which was a matching grant in support of a Comprehensive Economic Development Strategy.
- The Regional Community Institute of Northeast Florida, Inc. raised \$261,750 in fiscal year 2009 in support of Reality Check First Coast. This covered all direct expenses and \$150,000 of Council staffing. It did not cover all Council staffing, but as the jumpstart to a regional vision, it was deemed appropriate to put in additional staffing (in excess of \$77,000) to ensure its success.
- The Council maintained its contract with the Commission for the Transportation Disadvantaged to act as the Designated Official Planning Agency for six of the Region's seven counties. Total revenue from this program is \$114,888.
- The first year of a contract for Critical Infrastructure Assessment was completed and the Council entered into the second year of the grant that will continue through mid 2010 with total funding being \$890,000.
- The Council received a contract from a City of Jacksonville UASI grant for \$390,000 to install emergency management software for Baker, Clay, Duval, Nassau and St. Johns County EOCs.
- A contract in the amount of \$50,000 was received from the Division of Emergency Management to conduct a terrorism training exercise at the Miami Federal Reserve Branch

Management's Discussion and Analysis (continued)

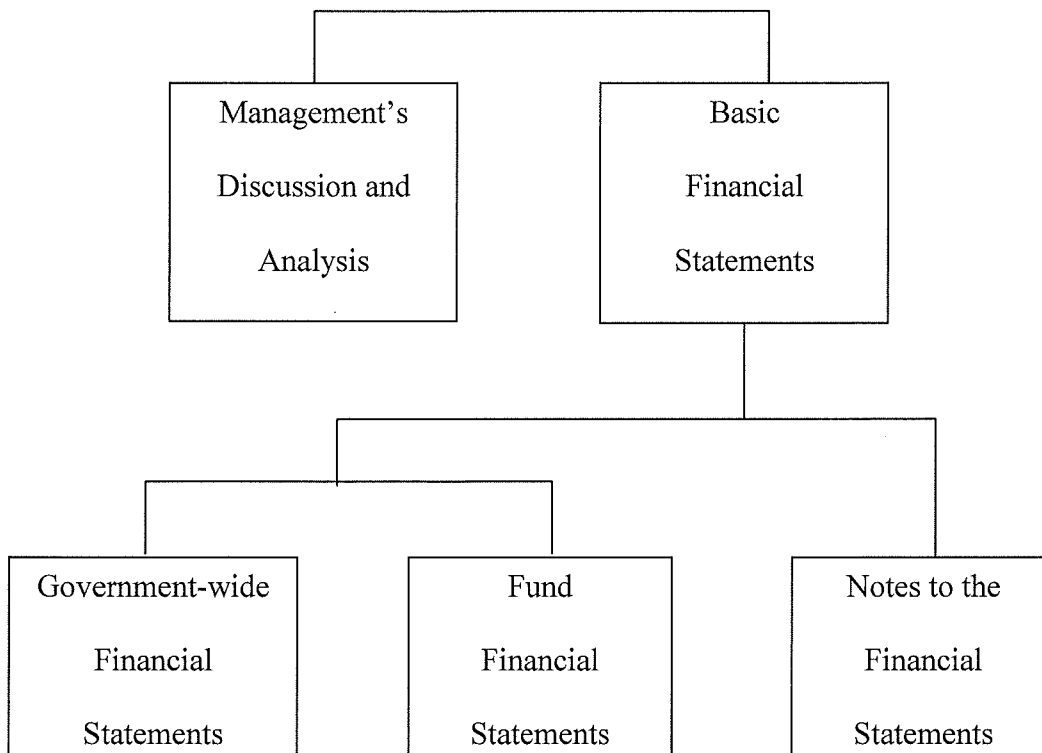
- The Council received a \$125,000 contract to conduct an interoperable communications summit and exercise for the State of Florida.
- The Council continued to make progress on a \$4.5 million dollar grant to assist the State of Florida in the development of a Statewide Regional Evacuation Study Program. The program will conclude in June 2010.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Council's basic financial statements. The Council's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the Council through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Council.

Required Components of Annual Financial Report

Figure 1



Management's Discussion and Analysis (continued)

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Council's finances. Similar in format to financial statements of a private-sector business, the government-wide statements provide short and long-term information about the Council's financial status as a whole.

The statement of net assets (Page ??) presents information on all of the Council's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of the Council's financial position.

The statement of activities (Page ??) presents information showing how the Council's net assets changed during the most recent fiscal year. All changes in net assets are reported using the accrual basis of accounting. Therefore, all current year's revenues and expenses are taken into account regardless of when the cash is received or expenses are paid.

Fund Financial Statements

The fund financial statements (Pages ??-??) provide a more detailed look at the Council's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been established for the purpose of carrying on activities or attaining objectives in accordance with specific regulations, restrictions or limitations. For financial statement presentation, funds with similar characteristics, including component units, are grouped into generic fund types as required by generally accepted accounting principles, (GAAP). The Council's funds are classified into one category: governmental.

Government Funds – Most of the Council's basic activities are accounted for in government funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Government funds financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available 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 are on pages ??-?? of the report.

Government-Wide Financial Analysis - For fiscal year ended 2009, the Council was compliant with the Government Accounting Standard Board (GASB) Statement 34 reporting model.

Management's Discussion and Analysis (continued)

Northeast Florida Regional Council's Net Assets

Figure 2

	Government-wide Activities		Variance Positive (Negative)
	2008	2009	
Current and other assets	\$ 3,328,190	\$ 2,397,541	\$ (930,649)
Capital assets (net of accumulated depreciation)	2,413,043	2,779,253	366,210
Total Assets	<u>5,741,233</u>	<u>5,176,794</u>	<u>(564,439)</u>
Current liabilities	1,473,706	1,141,313	(332,393)
Long Term Liabilities	1,943,462	1,870,555	(72,907)
Total Liabilities	<u>3,417,168</u>	<u>3,011,868</u>	<u>(405,300)</u>
Net Assets:			
Investment in capital assets, net of related debt	469,581	908,698	439,117
Unrestricted and restricted	1,854,484	1,256,228	(598,256)
Total Net Assets (Deficit)	<u>\$ 2,324,065</u>	<u>\$ 2,164,926</u>	<u>\$ (159,139)</u>

As shown in Figure 2, net assets may serve over time as a useful indicator of a government's financial condition. The assets of the Council exceeded liabilities by \$2,164,926 in fiscal year 2009. Also in fiscal year 2009, the Council's net assets decreased by \$159,139. The decrease is primary due to the following:

- A reduction in cash and a corresponding increase in capital assets as a result of the replacement of the building roof using loan proceeds received in the prior fiscal year.
- A decrease in cash and deferred revenue for prior year advance funding used in this fiscal year to administer the Statewide Regional Evacuation Study.
- A decrease in accounts receivable as a result of more aggressive invoicing procedures.
- A decrease in long-term liabilities by \$72,907. The decrease is attributed to a reduction in the principal balance of the building note.

Government-Wide Activities - Government-wide activities decreased the Council's net unrestricted assets by \$159,139, as shown in Figure 3. Factors that attributed to the decrease are as follows:

- State grant revenues decreased in large part due to a decrease in revenues for the Council's yearly state planning grant. The Council also received a one-time Regional Visioning Grant in fiscal year 2008 that was not funded in fiscal year 2009.
- Local government revenues increased as a result of additional funding received for critical infrastructure assessments and the installation of EOC software for several of our local governments.
- The Regional Community Institute received funding in fiscal year 2009 from various public and private entities to conduct a Reality Check regional visioning exercise for our Region.

Management's Discussion and Analysis (continued)

- As a result of State budget cuts, the Data Center contract was not renewed in fiscal 2008, thus the reduction in revenues for this fiscal year.
- The Council discontinued services with the AME Ministerial Alliance effective February 2008; therefore there was no AME revenue for this fiscal year.
- Personnel services decreased due to staff downsizing resulting from the declining economy and anticipated State and local government budget cuts.
- Direct charges increased in large part as a result of contractual payments for the Emergency Preparedness program area and expenses associated with Reality Check First Coast.

Management's Discussion and Analysis (continued)

Regional Council's Changes in Net Assets Figure 3

	Government-Wide Activities		Variance Positive (Negative)
	2008	2009	
Revenues			
County assessments	\$ 606,025	\$ 623,091	\$ 17,066
Federal grants	2,086,305	2,065,933	(20,372)
State grants	603,221	346,028	(257,193)
Local government technical assistance and DRI fees	1,000,008	1,290,249	290,241
North Florida Procurement Association	45,886	29,264	(16,622)
Regional Leadership Academy	22,757	2,100	(20,657)
Regional Community Institute	49,764	262,379	212,615
Data Center	84,904	-	(84,904)
AME Ministerial Alliance	64,920	-	(64,920)
Tenant Revenue	88,855	113,325	24,470
Other	53,001	66,550	13,549
Total Revenues	4,705,646	4,798,919	93,273
Expenditures			
Personnel service	1,558,692	1,379,655	(179,037)
Direct charges	2,248,135	2,696,860	448,725
Common/Indirect	874,669	839,835	(34,834)
Total Expenditures	4,681,496	4,916,350	234,854
Excess Revenues Over Expenditures	24,150	(117,431)	(141,581)
Fund Balance, beginning of year	2,299,915	2,324,065	24,150
Changes to Fund Balance	-	(41,708)	(41,708)
Fund Balance, end of year	\$ 2,324,065	\$ 2,164,926	\$ (159,139)

Financial Analysis of Council Funds

The Council uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Council has one major governmental fund, the General Fund.

Government Funds - The Council's basic activities are accounted for in government funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Government funds financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Council's programs.

Management's Discussion and Analysis (continued)

Budgetary Highlight – During the fiscal year the Council amended the budget once, in July 2009. Given the budget must be adopted by July 1 of each year, but is not operational until October 1 of each year, there are often significant changes in revenues and expenditures. The variances in revenue between the original budget and the final budget reflects adjustments for contract funding changes and additional contract funding that were acquired in fiscal year 2009, but were not available for inclusion at the time the original budget was prepared.

The variance between the final budget and actual revenues and expenses (Figure 4) is primarily attributable to the contract extension of the Statewide Regional Evacuation Study grant that was scheduled to end September 30, 2009 but was extended until June 2010.

Management's Discussion and Analysis (continued)

**Northeast Florida Regional Council
Budget to Actual – Fiscal Year Ending September 2009**

Figure 4

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
County assessments	\$ 623,091	\$ 623,091	\$ 623,091	\$ -
Federal grants	2,628,439	2,962,737	2,065,933	(896,804)
State grants	388,909	351,404	346,028	(5,376)
Local government and DRI fees	1,433,881	1,263,222	1,290,249	27,027
Data Center	140,000	-	-	-
North Florida Procurement Association	36,000	20,000	29,264	9,264
Regional Leadership Academy	30,500	2,400	2,100	(300)
Regional Community Institute	175,000	337,715	262,379	(75,336)
Tenant Revenue	106,000	112,000	113,325	1,325
Other	187,300	94,664	66,550	(28,114)
Total Revenues	5,749,120	5,767,233	4,798,919	(968,314)
Expenses				
Personnel service	2,241,297	1,858,192	1,860,461	2,269
Direct charges	3,174,727	3,789,358	2,696,860	(1,092,498)
Common Cost	333,096	354,600	359,029	4,429
Total Expenses	5,749,120	6,002,150	4,916,350	(1,085,800)
Excess of Revenues over Expenses	\$ -	\$ (234,917)	\$ (117,431)	\$ 117,486

NEFRC Financial Analysis

Total assets and total liabilities decreased in fiscal year 2009 largely due to a reduction in cash and deferred revenues for prior year advance funding used in this fiscal year to administer the Statewide Regional Evacuation Study grant. There was also a decrease in cash and a corresponding increase in capital assets as a result of the replacement of the building roof using loan proceeds received in the prior fiscal year.

Revenues increased primarily due to an increase in Regional Community Institute revenues to implement Reality Check First Coast, a regional visioning exercise. However, State revenues decrease by \$252,057 in large part due to a decrease in revenues for the Council's yearly state planning grant. Personnel services decreased as a result of staff downsizing. Direct charges increased in large part as a result of contractual payments for the Emergency Preparedness program area and expenses for the Reality Check First Coast exercise.

Management's Discussion and Analysis (continued)

NEFRC Capital Assets

The Council's investment in capital assets for fiscal year 2009 is \$2,779,253 (Figure 5), net of accumulated depreciation of \$1,152,361.

Capital Assets
Figure 5

	<u>2008</u>	<u>2009</u>
Equipment, Furniture, and Software	\$ 835,566	\$ 801,533
Construction in Progress	\$ 1,040	\$ -
Land	271,910	271,910
Building and Improvements	<u>2,395,256</u>	<u>2,858,171</u>
Total Property, Plant and Equipment	3,503,772	3,931,613
Accumulated Depreciation	<u>(1,090,729)</u>	<u>(1,152,361)</u>
Property, Plant and Equipment, net	<u>\$2,413,043</u>	<u>\$ 2,779,253</u>

Additional information on the Council's capital assets can be found in Notes A and C of the basic financial statements.

NEFRC Long-Term Debt

As of September 30, 2009, the Council's long-term obligations consisted of notes payable for \$1.96 million for the purchase of the building in 2001. The Council refinanced the building note in June 2008 at a fixed interest rate of 3.75% with a 10 year maturity, amortization over 20 years. The Council received proceeds from the refinance of \$474,102 that was used in fiscal year 2009 for the building roof replacement. Additional information regarding the Council's long-term debt can be found in Note D of the basic financial statements.

NEFRC Economic Factors and Next Year's Budget

Fiscal Year 2010 is an uncertain budgetary year due to the economy and the adverse effects it may have on Council funding by State and local governments as a result of budget cuts. Management is actively pursuing expanded and new programmatic opportunities in order to supplement, to the extent possible, any budget cuts received.

Federal funding for emergency preparedness programs across the country is uncertain for the coming year as the economy and shifts in national policy will effect allocations and priorities for allocation. The funding for the Statewide Regional Evacuation Study Program will also continue to decrease through 2010. This will cause a corresponding reduction in statewide programs to local governments and may impact the Council's local funding levels as a result. There has been an increase in funding for planning and interoperable communications. Both areas may produce new opportunities for the Emergency Preparedness programs area, although a further shift to statewide based programs would result.

Management's Discussion and Analysis (continued)

DRI fees are affected by economic growth in northeast Florida. The downturn in the housing market seems to have caused a slowdown in DRI activity. However, there were several DRIs submitted over the past year, which has maintained a diminished but continuing revenue stream. In addition, the economic downturn and decrease in State revenues have resulted in a corresponding decrease in the Council's Department of Community Affairs (DCA) planning contract that will affect fiscal year 2010.

DCA funds will be used to cover staffing of regional visioning in the early part of the fiscal year. However, Regional Community Institute will need to fundraise to support its efforts going forward.

Once the Comprehensive Economic Development Strategy is approved by the EDA, the Council is expected to be funded at a rate of \$53,000 annually. The first such payment is anticipated in FY 09/10.

Evaluation and Appraisal Reports (EARs) are due in 2011 for certain municipalities. Should a municipality choose the Council to perform services to produce and/or assist in the EARs, additional local government revenue will be generated.

NEFRC Budget Highlights for Fiscal Year Ending 2010

Revenues for Emergency Preparedness are anticipated to decrease as one of its major programs, the Statewide Regional Evacuation Study is scheduled to be completed in June 2010 and future funding for such the program is uncertain. The Critical Infrastructure Assessment program has received additional funding that will carry the program through fiscal year 2011. The Council has also entered into various contracts with the State for an interoperable communications summit, exercise and training that will provide revenue for fiscal year 2010.

This year the Council received a grant to develop a Comprehensive Economic Development Strategy that once approved will provide the Council with additional funding of \$53,000 annually.

Funds for other on-going Council programs such as DRIs, SHIP and Transportation Disadvantage are anticipated to remain relatively constant for fiscal year 2010.

Request for Information

This report is designed to provide an overview of the Council's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Chief Executive Officer, Northeast Florida Regional Council, 6850 Belfort Oaks Place, Jacksonville, FL 32216.