



SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS

Planning for Our Region's Future

Bethany Branford East Haven Guilford Hamden Madison Meriden Milford
New Haven North Branford North Haven Orange Wallingford West Haven Woodbridge

Carl J. Amento, Executive Director

EXECUTIVE COMMITTEE
MEETING NOTICE & AGENDA
Wednesday November 18, 2015 – 9:00A.M.

**Location: 127 Washington Avenue, 4th Floor West
North Haven, CT 06473**

Full agenda materials can be found at our website – www.scrcog.org

1. Call to order – First Selectman Michael Freda, *Chairman*
2. Adopt Minutes of October 28, 2015 Executive Committee Meeting-
Mayor Benjamin Blake, *Secretary* Pages 2, 3
3. Review and Accept Audit Report for FY2014- 2015 - *Brian Borgerson, CPA
of Kircaldie, Randall & McNab LLC , Carl Amento, Executive Director and Albert
Ruggiero, Business Manager* Attached
4. Review of Resolution Authorizing Executive Director to Execute Renewal of Lease with
Candid Group LLC- *Carl Amento, Executive Director and Albert Ruggiero, Business Manager* Pages 4-6
5. Review of Budget Revision #1 (FY 2014-2015 SGIA Carryover) -*Carl Amento, Executive Director and Albert Ruggiero, Business Manager* Pages 7-24
6. Review of Resolution Authorizing Executive Director to Negotiate and Execute Agreement
with Deltek, Inc. to upgrade SCRCOG's Accounting/Project Management Software
Carl Amento, Executive Director and Albert Ruggiero, Business Manager Page25
7. Review of Budget Revision #2 (FY 2015-2016 SGIA Allocation)- *Carl Amento, Executive Director and Albert Ruggiero, Business Manager* Pages 26-28
8. Review of Regional Legislative Agenda- *Carl Amento, Executive Director* Pages 29, 30
9. Other Business
10. Adjournment

The agenda and attachments for this meeting are available on our website at www.scrcog.org. Please contact SCRCOG for copy of agenda in a language other than English. Auxiliary aids/services and limited English proficiency translators will be provided with two week's notice.

"Necesidades especiales: a las personas con discapacidad auditiva se les proveerá con medios auditivos y/o intérpretes de signos. Igualmente intérpretes para personas que hablan poco inglés, pero será preciso avisar con dos semanas de antelación. Se puede solicitar la agenda en otro idioma que no sea inglés comunicándose con SCRCOG".

127 Washington Avenue, 4th Floor West, North Haven, CT 06473

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SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS

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Carl J. Amento, Executive Director

TO: **SCRCOG Executive Committee**
FROM: **Mayor Benjamin Blake, Secretary**
DATE: **November 12, 2015**
SUBJECT: **SCRCOG Executive Committee Minutes of October 28, 2015**

Present:

East Haven Salvatore Brancati, *proxy for Mayor Joseph Maturo*
Guilford First Selectman Joseph Mazza
Madison First Selectman Fillmore McPherson – *Vice Chairman*
Milford Mayor Benjamin Blake – *Secretary*
New Haven Matthew Nemerson, *proxy for Mayor Toni Harp*
North Haven First Selectman Michael Freda – *Chairman*
Wallingford Don Roe, *proxy for Mayor Dickinson*
Woodbridge First Selectwoman Ellen Scalettar

SCRCOG Staff Carl Amento, *Executive Director*, Al Ruggiero, *Business Manager*

1. **Call to order** –
The Executive Committee meeting was called to order at 9:07 a.m. by Chairman Freda.
2. **Adopt Minutes of May 27, 2015 Executive Committee Meeting** –
Mayor Blake presented the minutes of the May 27, 2015 Executive Committee meeting, which were on pages 2-3 of the agenda packet. First Selectman McPherson moved for their acceptance. First Selectman Mazza seconded. All were in favor of acceptance of the minutes.
3. **Review of Budget Revision #1** –
Executive Director Amento and Business Manager Ruggiero reviewed the proposed budget revision which proposed allocation of State Grant in Aid (SGIA) carryover funds from FY2014-2015 and current SGIA funds for FY 2015-2016 as shown on pages 4-6 of the agenda packet. They explained that the proposed allocation of funds to a Business Assistance Collaboration would not be presented this month pending further refinement for next month. Mayor Blake asked that information on what other projects had been considered for funding from SGIA be presented next month. After discussion, First Selectwoman Scalettar moved to table the budget revision to next month after SCRCOG staff provided more detail and clarification. First Selectman Mazza seconded the motion. It was approved unanimously.
4. **Review of Resolution Authorizing Executive Director to Negotiate and Execute Agreement with Deltek, Inc. to Upgrade SCRCOG’s Accounting/Project Management Software**–
Executive Director Amento and Business Manager Al Ruggiero explained that this expenditure had been approved in last year’s budget, but the actual purchase had been delayed because CDOT balked at reimbursement for this expenditure, which had been customarily reimbursed by CDOT in the past. The reason given by CDOT was that transportation funding was no longer 80% of SCRCOG’s expenditures, due to the diversification of revenue sources in recent years, and they

did not wish to fully reimburse an accounting system that dealt with almost 40% non-transportation matters. In Budget Revision #1, the source of funding was to be transferred from CDOT to SGIA. The resolution, found on page 7 of the agenda packet, was to authorize the Executive Director to sign a contract with Deltek for the new accounting/ project management software, which is now on a subscription basis. First Selectman McPherson moved to table the resolution until next month so that it could be taken up with Budget Revision #1 at that time. First Selectman Mazza seconded the motion. The motion was approved unanimously.

5. **Review of Resolution Authorizing Executive Director to Execute Renewal of Lease with Candid Group, LLC-**

A Resolution to renew SCRCOG's lease at 127 Washington Avenue, North Haven for an additional 5 years could be found on pages 8-10 of the agenda packet. After discussion, the consensus was that further information on alternative sites should be investigated and that further negotiation should be undertaken with the current landlord. First Selectman Mazza moved to table the matter to next month with further documentation requested. First Selectman McPherson seconded, and all were in favor.

6. **Review of Resolution Authorizing Executive Director to Execute Documents regarding the Amending and Restating of the SCRCOG Section 457(b) Deferred Compensation Plan-**

Executive Director Amento explained that the Resolution found on page 11 was to allow the SCRCOG deferred compensation plan to be amended to incorporate recent changes in the law and to add in a provision allowing for participants to borrow from their funds under conditions allowed by the IRS. First Selectman McPherson moved for approval. First Selectman Mazza seconded, and the motion carried unanimously.

7. **Other Business-**

None

8. **Adjournment-**

First Selectman Mazza moved to adjourn. First Selectman McPherson seconded. All were in favor. Chairman Freda adjourned the meeting at 9:55 am.

Respectfully submitted,

Benjamin Blake, Secretary



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Carl J. Amento, Executive Director

***Resolution Authorizing Executive Director to Execute Renewal of Lease
with Candid Group, LLC.***

Whereas: SCRCOG entered into a Lease with Candid Group, LLC, dated October 3, 1995, for 4,928 square feet on the fourth floor of the west building located at 127 Washington Avenue, North Haven, CT; and

Whereas: SCRCOG has renewed the Lease three times, with each renewal lasting a period of five years (July 2000, June 2005, and May 2010); and

Whereas: The Third Addendum to the Lease expires on November 30, 2015; and

Whereas: SCRCOG's Executive Director has negotiated a Fourth Addendum to the Lease (attached), commencing December 1, 2015 and ending November 30, 2020.

Therefore, be it Resolved:

That the Executive Director, Carl J. Amento, is hereby authorized to execute all appropriate and necessary contractual instruments with Candid Group, LLC. to extend the term of the Lease for an additional five years.

Certificate:

The undersigned duly qualified and acting Secretary of the South Central Regional Council of Governments certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the SCRCOG on November 18, 2015.

Date: November 18, 2015

By: _____
Mayor Benjamin Blake, *Secretary*
South Central Regional Council of Governments

FOURTH ADDENDUM TO LEASE

This AGREEMENT dated as of November ____, 2015 by and between Candid Group, LLC, with an office at 110 Washington Avenue, 4th Floor, North Haven, Connecticut, 06473 as LESSOR and South Central Regional Council of Governments, with a principal place of business at 127 Washington Avenue, North Haven, CT 06473 as LESSEE:

WHEREAS, LESSOR and LESSEE are parties to a certain Lease dated October 3, 1995, a First Addendum to Lease dated July 2000, and a Second Addendum To Lease dated June 23, 2005 and a Third Addendum To Lease dated May 28, 2010, (collectively, the "Lease"), respecting the premises described in the Lease containing approximately 4,928 square feet on the 4th Floor of the building located at 127 Washington Avenue, North Haven, Connecticut (the "Premises"); and

WHEREAS, the parties desire to extend the term of the Lease for an additional five (5) years as well as provide for a change in the terms of the rental structure and the Landlord has agreed to perform certain work within the Premises,

NOW THEREFORE, in view of the foregoing and in consideration of the Lease, and one dollar and other good and valuable considerations, given and received by the parties hereto, the parties do hereby agree as follows:

1. LEASE TERM: The term of the Lease shall be extended an additional five (5) years commencing on December 1, 2015 and ending November 30, 2020.
2. MODIFICATION OF RENTAL CONSIDERATION: Paragraph 5 of the Lease is modified so that the rent shall be payable in accordance with the following schedule:

<u>Lease Year</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
12/1/2015 through 11/30/2017	\$104,049.84	\$8,670.82
12/1/2017 through 11/30/2019	\$106,130.88	\$8,844.24
12/1/2019 through 11/30/2020	\$108,253.44	\$9,021.12

3. RENEWAL OPTION: Paragraph 23 of the Lease is hereby deleted in its entirety and the following is substituted in its place and stead:

"23. RENEWAL OPTION: Provided that Lessee is not then in default under the terms of the Lease, Lessee shall have the option to extend the term of the Lease for two (2) additional periods of five (5) years each. Lessee must exercise the right to extend the term, if at all, by written notice to Landlord by no later than twelve (12) months prior to the expiration date of the term (as the same may be extended), **TIME BEING OF THE ESSENCE**. Each extended term shall be on the same terms and conditions of the Lease, but for the provisions of this Paragraph 23 and the rent payable during such period. Said rental rate for each year of each such extension

period shall be based on the rental rate of the immediately preceding lease year plus a two percent (2%) annual rental increase. In the event that the Tenant fails to provide the notice as aforesaid, then the options shall be deemed null and void and of no further force and effect and this Lease shall, unless sooner terminated, terminate on the original expiration date of the Term, as the same may have been extended hereunder.

4. LANDLORD'S WORK. In consideration of the execution hereof by the parties hereto, Landlord hereby agrees to perform the following:

(i) Paint the interior of the Premises; (ii) replace the existing carpeting in the Premises; (iii) build out 3 additional offices within the premises with a lay out to be mutually agreed to by the parties; and (iv) install a sink and associated cabinet within the premises with a lay out to be mutually agreed to by the parties.

Landlord shall use commercially reasonable efforts to substantially complete the foregoing items by March 1, 2016.

5. OTHER TERMS AND CONDITIONS: Unless changed by this AGREEMENT, all other terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereunto set their hands and seals.

CANDID GROUP, LLC

By: _____
Stephen C. Longobardi, Manager

SOUTH CENTRAL REGIONAL COUNCIL OF
GOVERNMENTS

By: _____
Carl J. Amento
Executive Director

FY 2015-16 Budget Revision # 1

Budget Revision # 1 increases SCRCOG’s approved FY 2015-16 budget by \$184,547 to \$2,813,752 to incorporate carryover FY 2014-15 State Grant-in-Aid. The carryover FY 2014-15 State Grant-in-Aid must be expended by March 31, 2016. These funds will be used for updating SCRCOG’s server and computers (\$35,000), the Recreational Trails Mapping Consultant (\$103,000), upgrading SCRCOG’s accounting/project management software (\$30,000), regional human services coordination (\$9,500), and regional housing data analysis (\$7,047).

Proposed Allocation of Carryover FY 2014-15 State Grant in Aid

<i>Recreational Trails Mapping Consultant</i>	\$ 103,000
<i>Capital (Server and Computers)</i>	35,000
<i>Computer Supplies and Software (Deltek Vision)</i>	30,000
<i>Regional Human Services Coordination</i>	9,500
<i>Housing Data Analysis</i>	7,047
Total	\$ 184,547

SCRCOG Server and Computers

The current FY 2015-16 budget includes \$35,000 of capital expenditures for the update of SCRCOG’s server and computers, which are approaching the end of their useful life. This budget revision changes the source of funds from the federal transportation planning project accounts (U.S. DOT – FY 2015-2016, \$28,000; CDOT – FY 2015-2016, \$3,500; and Local, \$3,500) to FY 2014-15 State Grant-in-Aid. Since the carryover FY 2014-15 State Grant-in-Aid must be expended by March 31, 2016, SCRCOG staff recommend funding this capital expense with SGIA funds and deferring transportation and local funding to contingency and future operations, respectively. Attached is the quotation from SCRCOG’s IT Vendor, The Network Support Company.

Recreational Trails Mapping Consultant

The \$103,000 for the Recreational Trails Mapping Consultant, which was approved via resolution by the SCRCOG Board at the September 23, 2015 meeting (copy attached), is for the update of the Regional Recreational Trails Mapping Program. As part of the work program for this project, trail data will be inventoried and updated as necessary, the trail brochures will be redesigned and updated, and the trail data will be integrated into SCRCOG’s Regional GIS Program.

SCRCOG Accounting/Project Management Software

This budget revision allocates \$30,000 for upgrading SCRCOG’s accounting/project management software from Deltek Advantage to Deltek Vision. Upgrading this software is necessary to ensure compatibility with current and future computer operating systems. This will allow SCRCOG to continue to maintain financial records and develop reports in accordance with U.S. DOT and CT DOT regulations and guidance. This project was in the approved 2014-2015 fiscal year budget, but was not completed within that fiscal year. Attached is the proposed scope of work from Deltek.

Human Services Coordination

This budget revision includes \$9,500 for the regional human services coordination mandated by state statute. Per CT CGS Sec. 17a-760, SCRCOG must establish a regional human services coordinating council “to encourage collaborations that will foster the development and

maintenance of a client-focused structure for the health and human services system in the region.” The human services coordinating council must be at least bi-annually to “(1) ensure that regional plans and activities are coordinated with the human service needs of the region and (2) develop approaches to improve service delivery and achieve cost savings in the region.”

Regional Housing Data Analysis

The \$7,047 for regional housing data analysis will be used for consultant support in updating the underlying data in the 2004 SCRCOG Regional Housing Market Assessment.

Actual line item revisions are below, followed by a resolution authorizing Budget Revision #1.

<i>Revenue</i>	<i>Current Budget</i>	<i>Proposed Change</i>	<i>Revised Budget</i>
Municipal Contribution			
Municipal Contribution	154,200		154,200
Transportation Planning			
U.S. DOT - FY 2015-2016	935,538		935,538
U.S. DOT - Mobility Management	87,006		87,006
CDOT - FY 2015-2016	116,943		116,943
CDOT - Mobility Management	21,751		21,751
CDOT - LOTCIP	232,320		232,320
Regional Planning			
CT OPM - State Grant-in-Aid (SGIA) - FY16	410,000		410,000
CT OPM - State Grant-in-Aid (SGIA) - FY15 (carryover)	-	184,547	184,547
Regional GIS Program	62,000		62,000
Coastal Resilience Planning Grant			
NFWF - Coastal Resilience Planning Grant	608,447		608,447
Investment Income	1,000		1,000
TOTAL	2,629,205	184,547	2,813,752

<i>Expenses</i>	<i>Current Budget</i>	<i>Proposed Change</i>	<i>Revised Budget</i>
Salaries	497,325		497,325
Benefits	209,378		209,378
Travel	14,600		14,600
Computer Supplies & Software	29,750	30,000	59,750
Rent	107,700		107,700
General Office Expenses	77,250		77,250
Transportation Consultants	525,000		525,000
Other Consultants			
GIS Consultant	15,000		15,000
Shared Services Study Implementation	15,000		15,000
Capitol Region Purchasing Council	7,500		7,500
Coastal Resilience - Nature Conservancy	179,045		179,045
Coastal Resilience - GBRC	58,923		58,923
Coastal Resilience - Environmental Eng. Firm	131,077		131,077
Mobility Management	89,422		89,422
Recreational Trails Mapping Consultant	-	103,000	103,000
Regional Human Services Coordination	-	9,500	9,500
Regional Housing Data Analysis	-	7,047	7,047
Capital	35,000		35,000
Contingency	429,255	31,500	460,755
Reserved for Future Operations	-	3,500	3,500
Reserved for Coastal Resilience Planning Grant (future FYs)	207,981		207,981
Total	2,629,205	184,547	2,813,752



The Network Support Company
 7 Kenosia Ave
 Danbury, CT 06810
<http://www.network-support.com>

Quotation # 14496




Date	November 10, 2015
Description	Server and Workstation Upgrade - Option 1
SalesRep	Driscoll, Jennifer (P) 203-744-2274 (F) 203-791-0107
Customer Contact	Jim Rode (P) 2034668623 jrode@scrcog.org


Customer	Bill To	Ship To
South Central Regional Council of Governments Jim Rode 127 Washington Ave, 4th Floor West North Haven, CT 06473 (P) 2034668623	South Central Regional Council of Governments Jim Rode 127 Washington Ave, 4th Floor West North Haven, CT 06473 (P) 2034668623	South Central Regional Council of Governments Jim Rode 127 Washington Ave, 4th Floor West North Haven, CT 06473 (P) 2034668623




Customer PO:
Special Instructions:




Terms: Net 30 Days
Ship Via:


Project Labor			
Item Description	Qty	Unit Price	Total
1 Systems Engineer Project Labor - Labor is an estimate. Actual hours worked will be invoiced at the rate of \$122.00 per hour.	41	\$122.00	\$5,002.00
2 Workstation Technician Project Labor - Labor is an estimate. Actual hours worked will be invoiced at the rate of \$107.00 per hour.	23	\$107.00	\$2,461.00
3 Project Management & Design	1	\$1,061.40	\$1,061.40
4 Project Travel	10	\$122.00	\$1,220.00
SubTotal			\$9,744.40

Server			
Item Description	Qty	Unit Price	Total
1 HP ProLiant ML350 G9 5U Tower Server - Intel Xeon E5-2640 v3 Octa-core (8 Core) 2.60 GHz - 2 Processor Support - 16 GB Standard DDR4 SDRAM Maximum RAM - 12Gb/s SAS RAID Supported, Serial ATA Controller - Gigabit Ethernet - 2 x 800 W - Matrox G200 Graphic 	1	\$2,961.39	\$2,961.39
2 HP 600 GB 2.5" Internal Hard Drive - SAS - 10000 	4	\$439.39	\$1,757.56
3 HP 16GB DDR4 SDRAM Memory Module - 16 GB (1 x 16 GB) - DDR4 SDRAM - 2133 MHz DDR4-2133/PC4-17000 - Registered 	1	\$250.50	\$250.50
SubTotal			\$4,969.45

Item Description	Qty	Unit Price	Total
1 Eaton 5P 1950 VA Tower/Rack Mountable UPS - 1950 VA/1920 W - 132 V AC - 3 Minute - 2U Tower/Rack Mountable - 3 Minute - 8 x NEMA 5-20R 	1	\$999.34	\$999.34
2 Eaton Network Card-MS - Mini Slot - Ethernet, Sensor	1	\$216.78	\$216.78
SubTotal			\$1,216.12

Workstations			
Item Description	Qty	Unit Price	Total
1 HP EliteDesk 800G2 SFF, Intel Core i5-6500 3.2G 6M, 256GB HDD SATA Solid State, DVD+/-RW, 8GB DDR4-2133 (dl ch), W10P6 DG76 64-bit, 3-3-3-Wty ***Note: Upon order submission, there is a 14 business day lead time.	6	\$849.00	\$5,094.00
2 HP Business P232 23" LED LCD Monitor - 16:9 - 5 ms - 1920 x 1080 - 16.7 Million Colors - 250 Nit - 5,000,000:1 - Full HD - VGA - DisplayPort - 30 W - Black - China Energy Label (CEL), CECP, TCO Certified Displays, WEEE, TÜV, MEPS, ENERGY STAR, EPEAT Gold, 	7	\$169.00	\$1,183.00
3 HP ProBook 450 G2 15.6" LED Notebook - Intel Core i5 i5-5200U Dual-core (2 Core) 2.20 GHz - 4 GB DDR3L SDRAM RAM - 500 GB HDD - DVD-Writer - Intel HD 4400 - Windows 8.1 64-bit - 1366 x 768 16:9 Display - Bluetooth - Wireless LAN - Webcam - HDMI - 4 x Tota 	1	\$612.31	\$612.31
4 Kingston 8GB 1600MHz SODIMM 1.35V - 8 GB (1 x 8 GB) - DDR3 SDRAM - 1600000 MHz DDR3-1600/PC3-12800 - 1.35 V - Non-ECC - Unbuffered - 204-pin - SoDIMM 	1	\$64.00	\$64.00
5 Surface Book - Intel - Core i5 - RAM: 8 GB - 128 GB - 13.5 Inch - 3000 x 2000 - 10-Point Multi-Touch - Bluetooth 4.0; IEEE 802.11 ac - Microsoft Windows 10 Professional	1	\$1,499.00	\$1,499.00
SubTotal			\$8,452.31

Additional Hardware			
Item Description	Qty	Unit Price	Total
1 HP LTO-4 Ultrium 1760 SAS Internal WW Tape Drive - LTO-4 - 800 GB (Native)/1.60 TB (Compressed) - SAS - 5.25" Width - 1/2H Height - Internal - 81.92 MB/s Native - 163.84 MB/s Compressed - Linear Serpentine - 3 Year Warranty 	1	\$2,287.34	\$2,287.34
2 HP Mini-SAS Cable - SAS 	1	\$35.00	\$35.00
3 HP LTO Ultrium 4 Tape Cartridge - LTO-4 - 800 GB (Native) / 1.60 TB (Compressed) - 1 Pack 	12	\$55.57	\$666.84
SubTotal			\$2,989.18

Software			
Item Description	Qty	Unit Price	Total
1 Kaspersky Kaspersky Endpoint Security for Business - Subscription License - 1 Node - Academic, Government, Volume - 1 Year - PC - English 	15	\$28.98	\$434.70
2 VMware vSphere 6 Essentials Kit for 3 hosts (Max 2 processors per host)	1	\$297.00	\$297.00



Customer: South Central Regional Council of Governments
Description: Server and Workstation Upgrade - Option 1

Date: November 10,2015
Quote #: 14496

Item	Description	Qty	Unit Price	Total
3	VMware Academic Subscription only for VMware vSphere 6 Essentials Kit for 3 years	1	\$102.96	\$102.96
4	Microsoft Windows Server 2012 R.2 Standard - License - 1 Server, 2 CPU - Government Use - Volume, Government - MOLP: Open License for Government - PC - English	1	\$704.00	\$704.00
5	Microsoft Windows Server 2012 - License - 1 User CAL - Government Use - Volume, Local Government - MOLP: Open License for Government - PC - English	11	\$31.00	\$341.00
6	Microsoft Exchange Server 2016 Standard - License - 1 PC - Local Government - MOLP: Open License for Government - PC - English	1	\$565.00	\$565.00
7	Microsoft Exchange 2016 Standard CAL - License - 1 User CAL - Local Government - MOLP: Open License for Government - PC - English	11	\$70.00	\$770.00
8	Microsoft Office 2016 Standard - License - 1 PC - Local Government - MOLP: Open License for Government - PC - English	8	\$297.00	\$2,376.00

SubTotal **\$5,590.66**

Subtotal:	\$32,962.12
Tax:	\$0.00
Total:	\$32,962.12

Prices are valid 30 days from date of quotation. A 50% deposit is required for all hardware/software orders. Equipment prices do not include delivery or installations unless specified. Hardware/Software purchases are covered by their standard manufacturer warranty. TNSC's normal labor hours are 8:30 am - 5:30 pm Monday through Friday. Off-hour work will be billed at time and a half. Leasing options are also available - please ask your sales representative for details.

HP branded equipment cannot be returned once the HP seal is broken. If you have requested overnight shipping this quote shows only an estimate of those charges. Actual overnight charges will be added to your invoice after order approval.



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Carl J. Amento, Executive Director

Resolution Authorizing Executive Director to Negotiate and Execute Agreement with New England GeoSystems, LLC. related to the update of the Regional Recreational Trails Mapping Program

Whereas: SCRCOG planned to update the Regional Recreational Trails Mapping Program, which was funded by a 2004 National Recreational Trails Program Grant and, as part of the work plan, the trail data would be inventoried and updated as necessary, the trail brochures would be modernized and updated, and the trail data would be integrated into SCRCOG's Regional GIS Program;

Whereas: During FY 2014-2015, SCRCOG authorized \$103,000 of State Grant-in-Aid funding for consultant services related to the update of the Recreational Trails Mapping Program, none of which was expended;

Whereas: SCRCOG contracted with New England GeoSystems, LLC. (NEGEO) to develop the Regional GIS Program, which was funded through a Regional Performance Incentive Program Grant, and NEGEO is currently under contract to host and maintain the Regional GIS Program;

Whereas: Due to their GIS expertise and familiarity with the Regional GIS Program, it will be prudent to engage NEGEO to assist with updating the Regional Recreational Trails Mapping Program and integrate the trail data into the Regional GIS Program; and

Whereas: SCRCOG's Executive Director recommends to the SCRCOG Board that NEGEO qualifies as an appropriate sole source vendor "possessing unique prerequisites...skills and background, which might render 'sole source' selection in the best interests of the Council" pursuant to Article XI, Section I, Subsection (4) of the Council bylaws.

Therefore, be it Resolved:

That the Executive Director, Carl J. Amento, is hereby authorized to act on behalf of the Council to negotiate and execute all appropriate and necessary contractual instruments with New England GeoSystems, LLC to complete the update to the Regional Recreational Trails Mapping Program.

Certificate:

The undersigned duly qualified and acting Secretary of the South Central Regional Council of Governments certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the SCRCOG on September 23, 2015.

Date: September 23, 2015

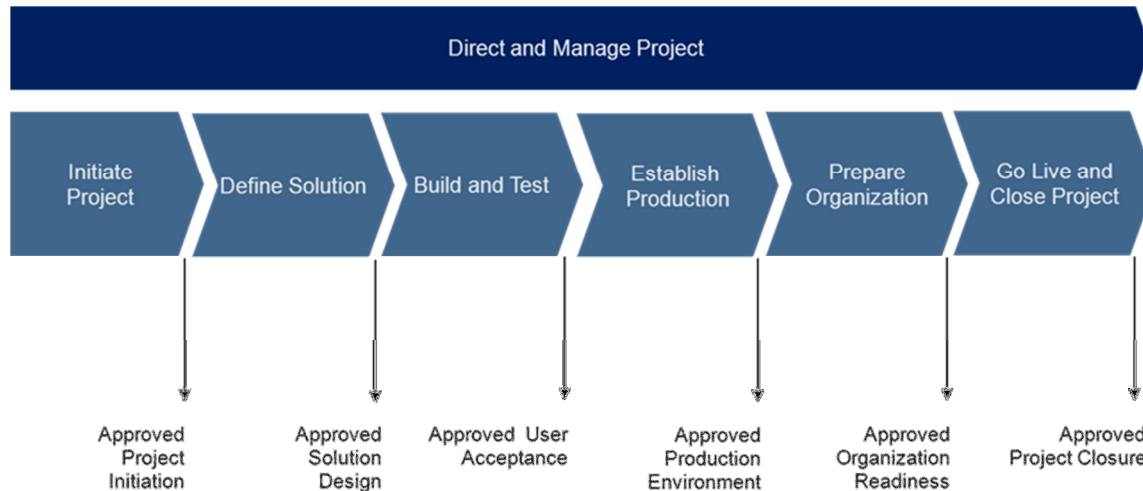
By:

Mayor Benjamin Blake, *Secretary*
South Central Regional Council of Governments

Exhibit A – SOW Details

A1. Implementation Methodology

The figure below shows the process model that Deltek will use for this SOW.



The top row noted above reflects management tasks; the project is managed and controlled by the Project Manager and the Steering Committee. The second row of boxes represents the project stages.

Stage breaks are inserted into the model at key points where the project should be reviewed by the Steering Committee to evaluate the progress as well as continuation of the project into the next stage.

Initiate Project

The Initiate Project stage covers the initial planning of the project and is designed to confirm that the prerequisites for initiating the project are in place. When the prerequisites are met, the Initiate Project stage is completed.

Define Solution

In this stage, Deltek will work with Customer to refine the Deltek standard solution to match the requirements of Customer. The main tasks within the stage are the product training session and the solution workshops. When the solution has been defined the stage is completed.

Build and Test

In the Build and Test stage, the SOW SaaS Offering is installed and configured according to the agreed solution design document. The Build and Test stage focuses on the configuration of the SOW SaaS Offering, training and Customer testing; including data migration and validation. When Customer is finished with testing, the Build and Test stage is completed.

Establish Production

In the Establish Production stage, the production solution is established and the Go Live Plan is in place.

Prepare Organization

In the Prepare Organization stage, Customer's organization prepares for the transition to the SOW SaaS Offering by documenting procedures and training End Users. This stage focuses on the establishment of a support organization and the training of End Users. The stage is completed when End Users are trained and the procedures documented by Customer.

Go- Live and Close Project

The Go-Live and Close Project stage transitions to the new system and closing down the implementation project. This stage focuses on use of the new system and finalizing data conversion tasks. The stage is completed and the project closed down by the Steering Committee upon approval of the Project Closure Report.

A2. Detailed Scope

A detailed scope for each application category area follows. Deltek will provide Customer with project management and consulting related to the SOW SaaS Offering as follows:

- ❑ **Company and Organizational Structure**
 - Define and configure company information
 - Define and configure company-wide organizational structure
 - Define and configure fiscal years, accounting periods, sub-periods
 - Informal, consultative training related to company and organization structure
- ❑ **Accounts Payable Functions**
 - Define and configure Customer cash and A/P account/org combinations
 - Define and configure vendor terms and voucher settings
 - Define and configure vendors (consultants/subcontractors) including direct deposit information, where applicable
 - Define and configure vendor direct deposit transmissions
 - Informal, consultative training in the areas of vendor setup, voucher entry/posting, voucher selection and payment processing, voiding checks, posting manual cash disbursements and accounts payable report generation,
- ❑ **General Ledger Functions**
 - Define and configure chart of account structure
 - Define and configure financial reporting
 - Informal, consultative training in the area of account setup, account grouping, and configuration of drill down capabilities
- ❑ **Accounts Receivable Functions**
 - Define and configure accounts receivable comment configuration
 - Informal, consultative training in the areas of customer setup, cash receipts processing and posting, comment entry and accounts receivable report generation
- ❑ **Project Control**
 - Define and configure work breakdown structure
 - Define and configure labor codes
 - Define and configure projects
 - Define and configure labor costing configuration
 - Define and configure consultant accrual configuration
 - Define and configure overhead allocation configuration

- Define and configure revenue generation methods
- Informal, consultative training on contract management
- Informal, consultative training in the areas of project setup, labor posting, consultant accrual, overhead allocation and revenue generation processing project generation
- ❑ **Employees**
 - Define and configure employees in info center
 - Define and configure employee utilization reporting
 - Informal, consultative training in the area of employee setup and utilization reporting
- ❑ **Utilities**
 - Informal, consultative training in the area of Vision utilities
- ❑ **Billing**
 - **Configuration of billing terms**
 - ✓ Define and configure project billing terms
 - ✓ Define and configure billing groups
 - ✓ Define and configure billing tables
 - ✓ Informal, consultative training in area of billing setup, interactive billing process, draft and final billing processing, credit memos, and billing reports
 - **Configuration of invoice formats using Vision invoice template editor**
 - ✓ Define and configure standard invoice templates
 - ✓ Informal, consultative training in the area of invoice template setup.
- ❑ **Time and Expense**
 - **Time entry**
 - ✓ Define and configure timesheet calendar
 - ✓ Define and configure special projects
 - ✓ Define and configure timesheet configuration settings
 - ✓ Define and configure timesheet groups
 - ✓ Define and configure timesheet approval process
 - ✓ Informal, consultative training in the area of time setup, entry, processing and reporting
 - **Employee expense entry**
 - ✓ Define and configure expense configuration settings
 - ✓ Define and configure expense categories
 - ✓ Define and configure expense groups
 - ✓ Define and configure expense approval process
 - ✓ Informal, consultative training in the area of expense setup, entry, and reporting
- ❑ **Reports:**
 - Deltek will provide consulting on the configuration of commonly used standard reports most applicable to Customer's identified business requirements
 - Assist with configuration of SOW SaaS Offering standard reports
 - There are no Custom reports included in the scope of this SOW

❑ **Workflows:**

- Informal, consultative training in the areas of workflow configurations
- Deltek will not provide consulting and assistance with the configuration of any workflows.

❑ **Data Migration**

Data Conversions will be executed one time in a test environment for validation prior to the data migration into the production – or live – database. It is Customer’s responsibility to validate the data conversion for accuracy. Prior to executing the conversion into the production environment, Customer will be asked for final approval and acceptance of data conversion activities as part of the Go-Live readiness assessment.

▪ **Customer will:**

- ✓ Test and validate all data after Advantage to Vision test database conversion;
- ✓ Test and validate all data after Advantage to Vision production database conversion.

▪ **Deltek will:**

- ✓ Perform one test conversion pass from a single company, single currency Advantage database to Deltek Vision. Additional test conversion passes may be requested, but will require a change order.
- ✓ Perform one production conversion pass from Advantage database to Deltek Vision

❑ **Consulting Support:**

- Planning & Design Meeting, and Documentation (6 hours)
- Advantage to Vision Conversion Utility – test pass (8 hours)
- Test Conversion Database Validation & Configurations and Documentation (12 hours)
- Accounting Processing Ad Hoc Consultative Workshop (24 hours)
- Testing Support, Favorite Reports Assistance, and Readiness Assessment (18 hours)
- Advantage to Vision Conversion Utility – go-live pass (8 hours)
- Configuration Copy Scripts (4 hours)
- Go-Live Support and Assistance (4 hours)
- 1st Billing Support and Assistance (4 hours)
- 1st Month End Support and Assistance (4 hours)
- Project Coordinator Support and Governance (20 hours)

A3. Out of Scope

For the purpose of clarity, activities that are out of scope include but are not limited to the following:

1. Implementation of any module and development of any Interfaces or Integrations not explicitly listed in Section 1.5 above
2. Implementation Services Scope does not include consulting services for Multi-Company, Multi-Currency, Payroll Integration, iAccess, Visualization, CRM Starter Pack, Resource Planning Starter Pack, or Kona Starter Pack.
3. Customizations on the SOW SaaS Offering
4. Data migration other than as described above
5. Development of workflows

6. Custom reports where “custom report” means a report that requires modification of the SOW SaaS Offering through Microsoft SQL Server Reporting Consulting Services rather than using the SOW SaaS Offering’s existing configuration capabilities
7. Custom invoice templates (beyond Deltek Vision standard Billing Configuration functions)
8. Expanding the implementation to include entities not specified herein. Deltek understands that Customer may participate in acquisitions during the course of this SOW. Deltek will provide Change Orders as needed to assist Customer in determining the approach for each acquisition and incorporate additional entities into the Customer organization.
9. End User training is Customer’s responsibility. Deltek will provide training as identified in Section A6 below. Development of materials required for End User training is the responsibility of Customer.

Deltek will not perform out of scope activities without a mutually agreed Change Order that will include applicable fees, costs and a revised schedule if appropriate.

A4. Deliverables

The table below lists the Deliverables for this SOW:

Deliverable Description	Owner	Contributor
Baseline Project Plan	Deltek	Customer
Solution Design Document	Deltek	Customer
Configuration Document	Customer	Deltek
Data Extraction Verification Document	Deltek	Customer
Functional Test Plan Template	Customer	Deltek
Baseline Cutover Plan	Customer	Deltek
Project Close Document	Deltek	Customer

1. **Baseline Project Plan**—Consists of the project tasks and resources using MS Project.
2. **Solution Design Document**—Consists of the discussions and design considerations made with regard to the deployment of the SOW SaaS Offering during the initial meetings and solution design workshop. The information in the Solution Design Document will be used as the basis for the configuration of the Deltek Vision database.
3. **Configuration Document**—A document that describes the process Customer will use to manage and control configuration decisions and future changes to those settings.
4. **Data Extraction Verification Document** – A document that describes the processes to verify the accuracy of data imported into Deltek Vision.
5. **Functional Test Plan Template** —Outlines the isolated functions, as defined by Customer, to be tested by Customer’s staff during the testing phase.
6. **Baseline Cutover Plan**—Step by step activities to be performed by specific staff within detailed timeframes to cutover from the legacy system(s) to Deltek Vision.

7. Project Close Document —A document indicating the scope of the project has been completed.

Deltek’s deliverables shall be provided to Customer in the Deltek format. Customer shall approve, reject, and/or revise any Deliverable within five business days of Customer’s receipt. If Customer rejects a Deliverable, all causes for the rejection shall be provided in writing. When the changes are completed and the revised Deliverable is delivered to Customer, Customer shall have an additional five business days to accept or reject the Deliverable. Should Deltek dispute any cause for rejection for any such Deliverable, Deltek may elect to escalate in accordance with the escalation procedures set forth in the SOW. If Customer fails to approve or reject the Deliverable within five business days from delivery, the Deliverable shall be deemed accepted.

A5. Technical and Implementation Assumptions

In addition to the general assumptions in the SOW, the scope of this SOW is based on the following technical and implementation assumptions:

1. Deltek will be provided access to Customer’s data, etc. in a timely manner in support of the Project Plan.
2. This SOW is for a single-company, single currency database. Additional company configuration requests will be handled via a Change Order.
3. Implementation training plan assumes a train-the-trainer approach. Deltek will train Customer Key Users. End-user training will be performed by Customer.
4. Deltek may use subcontractors to perform the Services in this SOW.
5. Services Estimate and SOW Budget assumes all work will be completed during regular US business hours. Charges for evening and/or weekend work will be subject to a premium rate of \$330 per hour, will be scoped if/as needed, and are subject to resource availability
6. Go-Live Cutover may require down time and/or no postings in the system. Given the critical nature and timing associated with financial data and system cutovers; down time should be expected. Your Project Manager will work with you to define a cutover plan to best fit within resource availability and minimum impact to your organization.

A6. Training

The following recommended training plan is included in the estimated fee for this SOW.

Type	Description	Details	Estimated Units	Unit Rate	Estimated Total
Vision 7 Learning Portal ¹	Web-based Named User Subscription	430+ videos, 34+ hours of content available to one user	2 Users	\$1,000/user/year	\$2,000

Information for Delivery or set up information for Learning Portal:

Learning Portal Point of Contact	Phone Number	Email Address
Albert Ruggiero	203.466.8622	ruggiero@scrcog.org
Chris Rappa	203.234.7555	cirappa@scrcog.org

Training Plan Notes and Assumptions:

1. Vision Learning Portal

- a. Subject to subscription terms at www.deltek.com/subscriptionterms.
- b. Customer is eligible to receive a \$1,000 discount off of the Enterprise Edition of the Vision Learning Portal if the Enterprise Edition is purchased within 90 days of SOW within the 90 day window, the discounted price for the Enterprise Edition of the Learning Portal would be \$4,000.

A7. Roles & Responsibilities

The success of this project requires cooperation and contribution of resources from each party. The following tables define possible roles and high-level responsibilities of the parties' resources that may be utilized as part of this SOW where applicable to the scope of the SOW.

A7.1 Deltek Personnel Roles and Responsibilities

Role	Responsibilities
Delivery Director	<ul style="list-style-type: none"> • Monitor project progression • Problem escalation
Project Coordinator	<ul style="list-style-type: none"> • Primary point of contact for the SOW and works collaboratively with Customer Project Manager • Facilitates the use of the Deltek methodology, including standard project governance documents as follows: <ul style="list-style-type: none"> ○ Risk mitigation ○ Problem escalation ○ Manage SOW project scope and Change Order process ○ Provide agreed upon project status reports as well as co-lead in project status meetings • Provide Deltek baseline Project Plan and overall implementation strategy • Monitor and report plan progress against Deltek SOW budget • Coordinate with Customer Project Manager to schedule any on-site consultant visits including the management of Deltek resource allocation
Functional Consultants	<ul style="list-style-type: none"> • Perform informal training for identified Customer staff • Provide test plan(s) • Assist in the execution of testing per Deltek supplied test plans • Provide Consultant Progress Reports (CPRs) per engagement • Provide product and process information and guidance • Map product to processes and requirements • Jointly design and set up the configuration of the SOW SaaS Offering • Perform assigned configuration tasks and document design solution • Document configuration settings
Technical Consultants	<ul style="list-style-type: none"> • Provide strategy guidance around data migration, Extract Transform Load (ETL) and integration processes and techniques • Lead in creation of data conversion plans • Coordinate and synchronize all data migration and integration tasks • Proactively evaluate service requests, objectives, scope and budget. Identify, document and communicate changes to scope and priorities as needed • Facilitate changes needed to plan and schedule. Work with Project Manager to

Role	Responsibilities
	implement <ul style="list-style-type: none"> • Provide training of technical, functional, and design team in data requirements in support of data mapping • Lead in documenting and designing the ETL migration process, source data requirements, transformation logic and crosswalks. • Lead development of integrations, data transformation, validation and load processes • Manage ETL test runs and Go-Live data migration • Manage documented technical issues to resolution • Provide metrics to confirm quantities and quality of migration results. • Provide Consultant Progress Reports (CPRs) per engagement
Senior Solution Architect	<ul style="list-style-type: none"> • Coordinate and synchronize efforts related to in-scope end-to-end business processes and solution design • Solution lead and strategic advisor • Share broad knowledge across multiple products • Work with Project Sponsors and Project Managers to develop engagement strategy • Provide industry leading practice advice • Lead cross-product integration and architecture design • Lead project initiatives around business processes, SOW SaaS Offering, people, requirements and deployment options

A7.2 Customer Personnel Roles and Responsibilities

Customer functional team leads will have authority to make decisions related to module design, configuration and testing to streamline the decision making process. Critical path decisions are to be made during the discussion/meeting in which the issue is identified. Non-critical decisions, as mutually agreed by the parties, will be made within twenty-four (24) hours of identification of the issue.

Role	Responsibilities
Project Sponsor	<ul style="list-style-type: none"> • Set business priorities • Set project goals and objectives • Allocate resources (budget/staff) • Issue resolution • Conflict management • Change control
Project Manager	<ul style="list-style-type: none"> • Dedicated and assigned at project start as the primary point of contact • Ensure all project infrastructure requirements are met (hardware, software, building access, network access, database access, human resources, work space, etc) • Develop and maintain ongoing Project Plan incorporating Customer’s tasks and resource plans • Ensure responsibilities and deliverables are met or created by driving the execution of such • Monitor and approve invoices and expenses • Approve readiness assessment project deliverables and milestones • Participate in project status meetings • Co-manage:

	<ul style="list-style-type: none"> ○ Risk mitigation ○ Problem escalation ○ SOW project scope and Change Order process ○ Providing agreed upon project reports ● Develop and execute roll out strategy and plan ● Co-manage SOW scope and additional project related Customer specific scope ● Manage the preparation and execution of training strategy and plan ● Manage any third parties involved with the Consulting Services to be provided by Deltek ● Coordinate Customer resources in creation of end-user documentation ● Manage execution of Deltek provided test plans
Functional Core Team (Functional Lead and/or Business Process Analyst)	<ul style="list-style-type: none"> ● Review and execute to Project Plan ● If applicable, complete Deltek-provided functional questionnaire prior to the Deltek kick-off meeting ● Jointly design and configure the SOW SaaS Offering ● With Deltek’s assistance, define and document Vision related business processes and end user/desktop procedures ● Attend Deltek training ● Provide pertinent information on a timely basis (e.g. business requirements, field values, etc) for each stage of the project ● Functional/Technical expert of the process(es) they lead ● Report problems/issues to Project Manager as appropriate ● Using the Deltek provide test plan(s) execute, validate and reconcile tests and sign off on all testing cycles
Application Development Team (Programmer/Analyst)	<ul style="list-style-type: none"> ● Test any inbound and outbound interfaces ● Set up application security
Super/Key User	<ul style="list-style-type: none"> ● Assist with the functional planning and design of the SOW SaaS Offering, based on internal use requirements ● Perform any manual data entry as required to load the SOW SaaS Offering with test data or production data

A8. Professional Fees

Deltek will provide Consulting Services on a time and materials basis. The following is Deltek’s billing rate table for the various consultant types that will participate in the Consulting Services. These rates are in effect from the Effective Date through the estimated end date in Section 1.3 Schedule above. Consulting Services performed after that date will be billed at Deltek's then-current rates.

Consultant Role	STANDARD HOURLY BILLING RATE
Solution Architect	\$330.00
Principal Consultant	\$270.00
Senior Consultant	\$230.00
Project Coordinator	\$200.00

Based on the scope, schedule, resources, and assumptions set forth herein and the rates above, the overall estimate for this SOW is **\$27,160**, including the recommended training plan described in Section

A6 above. All fees are in US Dollars (USD). The table below shows how the estimated hours and fees were used to create the estimate. This table is not intended to restrict or guarantee the number of hours to be expended in each implementation area.

Implementation Consulting Services	Estimated Hours	Estimated Total
Project Coordination	20	\$4,000
Application Consulting	72	\$16,560
Data Conversion	20	\$4,600
Consulting Services Total	112	\$25,160
Training Total		\$2,000
Total Estimate		\$27,160

A9. Consulting Services Warranty

Should the Consulting Services performed under this SOW fail to substantially meet the agreed upon specifications within the first thirty (30) days after completion of the Consulting Services, Deltek will re-perform the Consulting Services in order to render a correction to such failure at no additional cost to Customer (the “Service Warranty Period”). To be valid, any claim regarding failure of the Consulting Services to comply with the specifications must be made within the Service Warranty Period. If such non-conformity is based on a change to the Deliverable made by a party other than Deltek, Deltek reserves the right to charge, and Customer agrees to pay Deltek at its then-current rates for the time Deltek spent determining the cause of the non-conformity and/or correcting it. This is the only warranty provided with respect to the Consulting Services hereunder. ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, ARE HEREBY DISCLAIMED.

A10. Notices

All notices and other communications regarding this SOW shall be in writing and shall be effective upon personal delivery, five days after being mailed by registered or certified mail, return receipt requested, or one business day after being sent by nationally recognized overnight courier. Notices shall be addressed as follows:

If to Deltek	If to Customer
Deltek, Inc. 2291 Wood Oak Drive Herndon, VA 20171 Attn: Contracts Group	South Central Regional Council of Governments



SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Planning for Our Region's Future

Bethany Branford East Haven Guilford Hamden Madison Meriden Milford
New Haven North Branford North Haven Orange Wallingford West Haven Woodbridge

Carl J. Amento, Executive Director

Resolution

**Executive Committee of the South Central Regional Council of Governments
Fiscal Year 2015-2016 - Budget Revision # 1**

Whereas: South Central Regional Council of Governments on May 27, 2015 adopted an operating budget for Fiscal Year 2015-2016, and

Whereas: SCRCOG By-Laws require any revision to the operating budget during the course of the year, which exceeds 10% of the approved budgeted item be approved by the Council of Governments.

Now, therefore be resolved by the South Central Regional Council of Governments:

That Fiscal Year 2015-2016 Budget Revision # 1 is adopted.

Certificate:

The undersigned duly qualified and acting Secretary of the South Central Regional Council of Governments certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the South Central Regional Council of Governments on November 18, 2015.

Date: November 18, 2015

By:

Benjamin Blake, *Secretary*
South Central Regional Council of Governments



SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Planning for Our Region's Future

Bethany Branford East Haven Guilford Hamden Madison Meriden Milford
New Haven North Branford North Haven Orange Wallingford West Haven Woodbridge

Carl J. Amento, Executive Director

Resolution Authorizing Executive Director to Negotiate and Execute Agreement with Deltek, Inc. to upgrade SCRCOG's Accounting/Project Management Software

Whereas: SCRCOG has utilized the Deltek Advantage accounting/project management software since the late 1990s;

Whereas: Deltek Advantage is at its end-of-life/end-of-support and is not compatible with current computer operating systems and an upgrade is necessary to ensure compatibility with current and future computer operating systems;

Whereas: Deltek Vision is the next generation upgrade of the Deltek Advantage software; and

Whereas: Upgrading to the Deltek Vision accounting/project management software will allow SCRCOG to continue to maintain financial records and develop reports in accordance with U.S. DOT and CT DOT regulations and guidance.

Therefore, be it Resolved:

That the Executive Director, Carl J. Amento, is hereby authorized to act on behalf of the Council to negotiate and execute all appropriate and necessary contractual instruments with Deltek, Inc. to upgrade SCRCOG's accounting/project management software to Deltek Vision.

Certificate:

The undersigned duly qualified and acting Secretary of the South Central Regional Council of Governments certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the SCRCOG on November 18, 2015.

Date: November 18, 2015

By: _____
Mayor Benjamin Blake, *Secretary*
South Central Regional Council of Governments

FY 2015-16 Budget Revision # 2

Budget Revision # 2 amends SCRCOG’s approved FY 2015-16 budget by reprogramming the balance of FY 2015-16 Sate Grant-in-Aid funds currently held in Contingency (\$229,150). The budget revision programs the \$229,150 for (1) Business Assistance project (\$219,650) and (2) additional funding for the Regional Human Services Coordination Project (\$9,500).

Proposed Allocation of Remaining State Grant in Aid - FY 2015-16

<i>Business Assistance Project</i>	
<i>Staff Salary and Benefits</i>	\$ 45,000
<i>Travel</i>	5,000
<i>Consultants/Event Programming</i>	64,650
<i>Reserved for Overhead Assignment</i>	25,000
<i>Reserved for FY 2016-17</i>	80,000
<i>Regional Human Services Coordination</i>	9,500
Total	\$ 229,150

Business Assistance Project

SCRCOG proposes to organize and fund a unique regional program focused on fostering the growth of existing start-ups and early stage small businesses. The project would be a region-wide public-private partnership utilizing the skills and resources of existing economic development and business assistance professionals in the region, including municipal economic development directors, commissioners and corporations, business assistance staff of the Greater New Haven Chamber of Commerce and local chambers in the region, and staff of regional economic development organizations such as REX and UI. The start-up/co-working portion of the initiative would be driven by entrepreneurial concepts and programs developed by the Kauffman Foundation in Kansas City, Missouri. The “economic gardening” portion of the project would engage the Edward Lowe Foundation from Minnesota, currently with 33 ongoing projects nationwide, to oversee the training and execution of growth strategies for existing small businesses in the region. We envision the project involving promotion of co-working spaces and entrepreneurial activities within the region, promotion of the region as an entrepreneurial place, a mentoring program utilizing existing mature businesses, and utilization of SCRCOG’s Business Analyst database and regional GIS capabilities to provide marketing and consumer data to grow existing businesses. SCRCOG proposes to hire two special grant-funded employees to organize the regional programming.

Human Services Coordination

This budget revision includes \$9,500 for the regional human services coordination mandated by state statute. Per CT CGS Sec. 17a-760, SCRCOG must establish a regional human services coordinating council “to encourage collaborations that will foster the development and maintenance of a client-focused structure for the health and human services system in the region.” The human services coordinating council must be at least bi-annually to “(1) ensure that regional plans and activities are coordinated with the human service needs of the region and (2) develop approaches to improve service delivery and achieve cost savings in the region.”

Actual line item revisions are below, followed by a resolution authorizing Budget Revision #2.

<i>Revenue</i>	<i>Current Budget</i>	<i>Proposed Change</i>	<i>Revised Budget</i>
Municipal Contribution			
Municipal Contribution	154,200		154,200
Transportation Planning			
U.S. DOT - FY 2015-2016	935,538		935,538
U.S. DOT - Mobility Management	87,006		87,006
CDOT - FY 2015-2016	116,943		116,943
CDOT - Mobility Management	21,751		21,751
CDOT - LOTCIP	232,320		232,320
Regional Planning			
CT OPM - State Grant-in-Aid (SGIA) - FY16	410,000		410,000
CT OPM - State Grant-in-Aid (SGIA) - FY15 (carryover)	184,547		184,547
Regional GIS Program	62,000		62,000
Coastal Resilience Planning Grant			
NFWF - Coastal Resilience Planning Grant	608,447		608,447
Investment Income	1,000		1,000
TOTAL	2,813,752	-	2,813,752

<i>Expenses</i>	<i>Current Budget</i>	<i>Proposed Change</i>	<i>Revised Budget</i>
Salaries	497,325	30,000	527,325
Benefits	209,378	15,000	224,378
Travel	14,600	5,000	19,600
Computer Supplies & Software	59,750		59,750
Rent	107,700		107,700
General Office Expenses	77,250		77,250
Transportation Consultants	525,000		525,000
Other Consultants			
GIS Consultant	15,000		15,000
Shared Services Study Implementation	15,000		15,000
Capitol Region Purchasing Council	7,500		7,500
Coastal Resilience - Nature Conservancy	179,045		179,045
Coastal Resilience - GBRC	58,923		58,923
Coastal Resilience - Environmental Eng. Firm	131,077		131,077
Mobility Management	89,422		89,422
Recreational Trails Mapping Consultant	103,000		103,000
Regional Human Services Coordination	9,500	9,500	19,000
Regional Housing Data Analysis	7,047		7,047
Business Assistance Project - Consultants/Event Programming	-	64,650	64,650
Capital	35,000		35,000
Contingency	460,755	(229,150)	231,605
Reserved for Future Operations	3,500		3,500
Reserved for Business Assistance Project - Overhead Assignment		25,000	25,000
Reserved for Business Assistance Project - FY 2016-17	-	80,000	80,000
Reserved for Coastal Resilience Planning Grant (future FYs)	207,981		207,981
Total	2,813,752	-	2,813,752



SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Planning for Our Region's Future

Bethany Branford East Haven Guilford Hamden Madison Meriden Milford
New Haven North Branford North Haven Orange Wallingford West Haven Woodbridge

Carl J. Amento, Executive Director

Resolution

**Executive Committee of the South Central Regional Council of Governments
Fiscal Year 2015-2016 - Budget Revision # 2**

Whereas: South Central Regional Council of Governments on May 27, 2015 adopted an operating budget for Fiscal Year 2015-2016, and

Whereas: SCRCOG By-Laws require any revision to the operating budget during the course of the year, which exceeds 10% of the approved budgeted item be approved by the Council of Governments.

Now, therefore be resolved by the South Central Regional Council of Governments:

That Fiscal Year 2015-2016 Budget Revision # 2 is adopted.

Certificate:

The undersigned duly qualified and acting Secretary of the South Central Regional Council of Governments certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the South Central Regional Council of Governments on November 18, 2015.

Date: November 18, 2015

By:

Benjamin Blake, *Secretary*
South Central Regional Council of Governments

2016 Regional Legislative Agenda



**Quinnipiac Chamber
of Commerce**
CT's Award-Winning Chamber!

An affiliate of the
**Greater New Haven
Chamber of Commerce**



The Greater New Haven Region

leads the state in opportunity for economic growth. It is rich in resources, including access to ample water for manufacturing, leading arts and cultural attractions, and higher education institutions that are unmatched in New England. To build a brighter economic future for Connecticut, we must tackle the biggest challenges, capitalize on our strengths, and adopt positive solutions. Significantly improving Connecticut's overall business climate will have a positive ripple effect throughout the state and region. To ensure the region's economic progress, we need to focus on several key issues:

- Restore funding to our state's hospitals and healthcare centers
- Increase job training and placement programs, especially for our advanced manufacturing jobs of the future
- Modernize Tweed New Haven Airport

The economy in Connecticut is still recovering and there is a large need to help people find work as well as prepare an advanced manufacturing workforce for the future. By modernizing Tweed, we can connect our region directly to economic hubs throughout the country and grow our economy here at home.

With these goals in mind, we urge making these issues a guiding principle in all legislative actions in the 2016 legislative session.

For more information please contact: _____

Tony Rescigno

President of the Greater New Haven Chamber of Commerce
203-782-4340 | 203-782-4329 | arescigno@gnhcc.com

Visit the Connecticut General Assembly Website to make your voice heard: www.cga.ct.gov

Contact your legislator:

CT House Democrats 1-800-842-8267 | CT House Republicans 1-800-842-1423
CT Senate Democrats 1-800-842-1420 | CT Senate Republicans 1-800-842-1421

Our Regional Partners: _____



**South Central CT
Regional Alliance**



**SOUTH CENTRAL REGIONAL COUNCIL
OF GOVERNMENTS**
*Financial Statements and
Supplemental Schedules*
For the Year Ended June 30, 2015

DRAFT

**SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
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**SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
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KIRCALDIE, RANDALL & MCNAB LLC
CERTIFIED PUBLIC ACCOUNTANTS
NORTH HAVEN, CONNECTICUT 06473

Independent Auditor's Report

To the Executive Committee
South Central Regional Council of Governments
North Haven, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the South Central Regional Council of Governments as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the organization'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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these statements based on our audits. We conducted our audits 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 governmental activities, each major fund, and the aggregate remaining fund information of the South Central Regional Council of Governments, as of June 30, 2015, and the respective changes in its financial position 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 13–17 and 31–32 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the South Central Regional Council of Governments' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of federal awards are the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 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 combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated November 2, 2015, on our consideration of South Central Regional Council of Governments' 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 South Central Regional Council of Governments' internal control over financial reporting and compliance.

Kicaldie Randall, McPab LLC

North Haven, Connecticut
November 2, 2015

KIRCALDIE, RANDALL & MCNAB LLC
CERTIFIED PUBLIC ACCOUNTANTS
NORTH HAVEN, CONNECTICUT 06473

**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 Executive Committee
South Central Regional Council of Governments
North Haven, Connecticut

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of South Central Regional Council of Governments, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the South Central Regional Council of Governments' basic financial statements, and have issued our report thereon dated November 2, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered South Central Regional Council of Governments' 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 South Central Regional Council of Governments' internal control. Accordingly, we do not express an opinion on the effectiveness of South Central Regional Council of Governments' 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 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 over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control 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 South Central Regional Council of Governments' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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.

Kircaldie Randall • McNab ccc

North Haven, Connecticut
November 2, 2015

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KIRCALDIE, RANDALL & MCNAB LLC
CERTIFIED PUBLIC ACCOUNTANTS
NORTH HAVEN, CONNECTICUT 06473

**Independent Auditor's Report on Compliance for Each Major
Program and on Internal Control over Compliance Required
by OMB Circular A-133**

To the Executive Committee
South Central Regional Council of Governments
North Haven, Connecticut

Report on Compliance for Each Major Federal Program

We have audited South Central Regional Council of Governments' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015. The Entity'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 South Central Regional Council of Governments' 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 South Central Regional Council of Governments' 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 South Central Regional Council of Governments' compliance.

Opinion on Each Major Federal Program

In our opinion, South Central Regional Council of Governments, 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, 2015.

Report on Internal Control Over Compliance

Management of South Central Regional Council of Governments 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 South Central Regional Council of Governments' 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 OMB Circular A-133, 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 South Central Regional Council of Governments' 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Kircaldie Randall + McNab LLC

North Haven, Connecticut
November 2, 2015

KIRCALDIE, RANDALL & MCNAB LLC
CERTIFIED PUBLIC ACCOUNTANTS
NORTH HAVEN, CONNECTICUT 06473

**Report on Compliance for Each Major State Program;
Report on Internal Control over Compliance; Report on the Schedule of
Expenditures of State Financial Assistance Required the State Single Audit Act**

Independent Auditor's Report

To the Executive Committee
South Central Regional Council of Governments
North Haven, Connecticut

Report on Compliance for Each Major State Program

We have audited South Central Regional Council of Governments' compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of its major state programs for the year ended June 30, 2015. The South Central Regional Council of Governments' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs-state financial assistance.

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 South Central Regional Council of Governments' major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State Single Audit Act* (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about South Central Regional Council of Governments' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major State Program

In our opinion, South Central Regional Council of Governments complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of South Central Regional Council of Governments 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 South Central Regional Council of Governments' internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with The State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of South Central Regional Council of Governments' internal control over compliance.

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

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

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

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

We have audited the financial statements of the South Central Regional Council of Governments, as of and for the year ended June 30, 2015, and have issued our report thereon dated November 2, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by The State Single Audit Act and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Kircaldie Randall • McNab CCC

North Haven, Connecticut
November 2, 2015

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KIRCALDIE, RANDALL & MCNAB LLC
CERTIFIED PUBLIC ACCOUNTANTS
NORTH HAVEN, CONNECTICUT 06473

Independent Auditor's Report on the Schedule of Indirect Costs

To the Executive Committee
South Central Regional Council of Governments
North Haven, Connecticut

We have audited the Schedule of Indirect Costs for the year ended June 30, 2015. This schedule is the responsibility of the South Central Regional Council of Governments' management. Our responsibility is to express an opinion on this schedule 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 of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Indirect Costs. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying schedule was prepared on a basis of accounting practices prescribed by 2 *CFR Part 225 (OMB Circular A-87)* and certain other Federal and state regulations as discussed in Note B to the Schedule of Expenditures of Federal Awards, and is not intended to be a presentation in conformity with generally accepted accounting principles.

In our opinion, the schedule referred to above presents fairly, in all material respects, the direct labor, fringe benefits and general overhead of the South Central Regional Council of Governments for the year ended June 30, 2015, on the basis of accounting described in Note B to the Schedule of Expenditures of Federal Awards.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 2, 2015, on our consideration of the SCRCOG's internal control over financial reporting and 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 and 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* and should be considered in assessing the results of our audit.

This report is intended solely for the use and information of the South Central Regional Council of Governments and government agencies or other customers related to contracts employing the cost principles of the 2 *CFR Part 225 (OMB Circular A-87)* and should not be used for any other purpose.

Kircaldie Randall, McNab LLC

North Haven, Connecticut
November 2, 2015

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SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Management Discussion and Analysis
For the Year Ended June 30, 2015

This discussion and analysis of the South Central Regional Council of Governments (“SCRCOG”) financial performance is provided by management as an overview of the SCRCOG’s financial activities for the fiscal year ended June 30, 2015. This reporting is in accordance with Statement No. 34 of the Governmental Accounting Standards Board. Please read this MD&A in conjunction with the SCRCOG’s financial statements.

FINANCIAL HIGHLIGHTS

- Net assets of our governmental activities increased by \$74,099 or 9.95%.
- During the year, the SCRCOG had expenses that were \$57,753 less than revenue.
- Total cost of all of the SCRCOG’s programs was \$1,916,194.
- The Total Funds reported a fund balance this year of \$797,814.
- The resources available for appropriation were \$1,973,947. All expenditures are within authorized limits.
- Revenue is becoming more diversified through receipt of grant funds causing funding from federal transportation sources, traditionally 80% of SCRCOG revenues, were reduced to 66.52% of total SCRCOG revenue in FY 2014-2015. Transportation sources represented 64.88% of total SCRCOG revenue in FY 2013-2014.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The statement of net assets and the statement of activities (Exhibits A and B, respectively) provide information about the activities of the SCRCOG as a whole and present a longer term view of the SCRCOG’s finances. Fund financial statements are presented in Exhibit C and D. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the SCRCOG’s operations in more detail than the government wide statements by providing information about the SCRCOG’s most significant funds.

Government-Wide Financial Statements

The analysis of the SCRCOG as a whole begins on Exhibit A and B. The statement of net assets and the statement of activities report information about the SCRCOG as a whole and about its activities for the current period. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year’s revenues and expenses are taken into account regardless of when cash is received or paid.

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Management Discussion and Analysis
For the Year Ended June 30, 2015

These two statements report the SCRCOG's net assets and changes in them. The SCRCOG's net assets, the difference between assets and liabilities, are one way to measure the SCRCOG's financial health, or financial position. Over time, increases or decreases in the SCRCOG's net assets are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other non-financial factors, however, such as changes in the SCRCOG's funding sources.

In the statement of net assets and the statement of activities, the SCRCOG reports its activities:

Governmental activities – The SCRCOG's basic planning programs are reported here, including land use, transportation, transit, environmental, foreclosure prevention and homeland security for the region. Federal and State grants fund most activities supplemented by local municipal dues.

Fund Financial Statements

The fund financial statements begin with Exhibit C and provide detailed information about the most significant funds. SCRCOG establishes other funds to help control and manage financial activities for particular purposes – Homeland Security grants, State Grant In Aid, Sustainable Communities, Hazard Mitigation, OPM Regional Performance Incentive grants, FTA and CTDOT funding to show that it is meeting legal responsibilities required by the grants. Of the three prescribed categories of funds the SCRCOG utilizes only Governmental Funds; there are no Proprietary or Fiduciary Funds

Governmental funds (Exhibits C and D) – These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the SCRCOG's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the SCRCOG's programs. The relationship (or differences) between governmental activities (reported in the statement of net assets and the statement of activities) and governmental funds is described in a reconciliation at the bottom of the fund financial statements.

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Management Discussion and Analysis
For the Year Ended June 30, 2015

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The SCRCOG's combined net assets increased from a year ago from \$ 744,553 to \$818,652. The analysis below focuses on the net assets (Table 1) of the SCRCOG's governmental activities.

Table 1		Governmental
<i>Net Assets</i>		Activities
		<u>2015</u>
ASSETS		
Cash and cash equivalents	\$ 571,162	
Certificates of Deposit	101,224	
Due from Federal and State Governments.....	979,114	
Prepaid expenses.....	29,957	
Fixed assets, net of depreciation.....	39,880	
Other assets	<u>11,663</u>	
Total Assets.....	<u>\$ 1,733,000</u>	
LIABILITIES		
Accounts payable.....	\$ 465,989	
Deferred revenue.....	437,780	
Non-current liabilities	<u>10,579</u>	
Total liabilities	<u>\$ 914,348</u>	
NET ASSETS		
Investment in capital assets.....	\$ 39,880	
General Fund.....	<u>778,772</u>	
Total net assets	<u>\$ 818,652</u>	

SCRCOG experienced an increase in net assets of its governmental activities of 9.95% in addition to a 3.87% increase in the prior year. These increases have now essentially replenished SCRCOG reserves that were expended in previous years to assist REX and the Regional ROOF project.

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Management Discussion and Analysis
For the Year Ended June 30, 2015

The SCRCOG's total revenues were \$1,973,947. The total cost of all programs and services was \$1,916,194. See Exhibit D in the financial report.

Governmental Activities

Overall revenues were \$1,417,731 lower than budgeted. Expenditures were \$1,475,484 less than budgeted. SCRCOG revenue figures in the budget reflect grantors request that we budget 100% of grants, even though we may not intend to use the entire grant in a particular year. This does allow flexibility should a new project come up during the year which the SCRCOG wishes to pursue. Almost all revenue generated from FHWA, FTA, and CT Department of Transportation funds are on a reimbursement basis with a 10% local match required. Municipal dues make up the 10% local match. A new state transportation project called the Local Transportation Capital Improvement Program (LOTICIP) provides 100% reimbursement for construction services. However, under LOTICIP, the local municipalities are 100% responsible for the funding of the design of local transportation projects. SCRCOG has received significant funding from the award of grants in recent years. In FY 2014-2015, SCRCOG was receiving two federal grants: The National Fish and Wildlife Foundation (NFWF) Coastal Resiliency Planning Grant and the Federal Transit Administration (FTA) New Freedom's Grant for the Regional Mobility Management program. The NFWF grant provides 100% funding and the FTA grant requires a state match but no local match. During FY 2014-2015, SCRCOG received grant funding from four state grants, including the LOTICIP grant described above and three grants administered by the Connecticut Office of Policy and Management (OPM). The OPM state grants were: State Grant in Aid (which saw a substantial increase to \$410,000), and two Regional Performance Incentive Program (RPIP) grants for the SCRCOG Regional Web-based GIS Program and SCRCOG's connection to the Nutmeg Network. The OPM funded SGIA grant is awarded to SCRCOG on a 100% basis. All revenue generated to fund the OPM Regional Performance Incentive Grants is on a 100% reimbursement basis.

Maximum overhead rate allowance set by our federal transportation grantors is 1.50. Our rate in this fiscal year was 1.3126 compared to 1.2992 in the prior year. (See Schedule 7 in the financial statements.)

SCRCOG FUNDS FINANCIAL ANALYSIS

Governmental Funds

As the SCRCOG completed the year, its governmental funds (as presented in the balance sheet – Exhibit C) reported a combined fund balance of \$789,351 which is an increase from last year's total of \$731,598.

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Management Discussion and Analysis
For the Year Ended June 30, 2015

General Fund Budgetary Highlights

The SCRCOG's budget received several new one time funding sources; still relying heavily on FHWA, FTA and CT Department of Transportation to fund 66.52% of SCRCOG total revenue. The receipt of non-transportation grants in recent years has reduced this percentage from a long-standing benchmark of 80% (64.88% last year). Municipal dues continue to make up 10% of the total revenue. The Coastal Resiliency Planning Grant, the New Freedom (Mobility Management) grant, the state's LOTCIP grant, the two OPM Regional Performance Incentive Grants, and State Grant in Aid, complete the funding sources for this fiscal year. The municipal dues are assessed at \$.27/person (based on municipal population). Either an increase in municipal dues or use of unrestricted reserve can generate a larger local match which could have allowed the agency to access more reimbursable federal transportation funding. In general, the reserve has been held to meet cash flow needs since the majority of our funding is on a reimbursable basis.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2015, the SCRCOG had \$141,081 of capital assets, an increase of \$22,700 over the previous fiscal year, consisting of basically office and computer equipment located in the SCRCOG's leased office space. (See Note 5 or Schedule 5 in the financial statements).

Debt Administration

The SCRCOG has no authority to issue bonds or other types of debt instruments.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The SCRCOG's elected officials considered many factors when adopting the fiscal year 2014-2015 budget. As a result of these efforts and adherence to federal guidelines, SCRCOG adopted a budget of \$3,391.678 for 2014-2015. Since SCRCOG did not use all of the revenue from the FHWA and FTA budgeted at \$1,437,837 with \$1,168,576 actually spent in the current year, we continue to carryover those dollars for future years. The FY2015-2016 budget contains State Grant in Aid at \$410,000 which is the same as last year's award, but which represents a substantial increase from \$125,000 in FY 2013-2014. This increased funding will be used to fund a Regional Trails Mapping Program as an addition to SCRCOG's Regional GIS Program, continued Inter-Municipal Shared Services Initiatives focused on creating cost-savings for SCRCOG's member municipalities, and a new Regional Business Assistance program designed to increase municipal tax base growth and economic activity. The FY2015-2016 budget includes continued grant revenues from the CT Office of Policy and Management to provide a Regional GIS Program, and to complete the Nutmeg Network connection to SCRCOG's offices. Further

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Management Discussion and Analysis
For the Year Ended June 30, 2015

grant funding during FY2015-2016 is anticipated from the CDOT for the Local Transportation Capital Improvement Program (LOTICIP), and for the Mobility Ombudsman Program. Additionally, federal grant funding in the total amount of \$700,000 is expected from the U.S. Department of the Interior, National Fish and Wildlife Foundation (NFWF) for a Coastal Resilience Plan for 7 SCRCOG coastal communities and 3 Greater Bridgeport Regional Council (GBRC) coastal communities. The Nature Conservancy is also a partner on the NFWF grant.

CONTACTING THE SCRCOG'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, creditors and state and federal funders with a general overview of the SCRCOG's finances and to show the SCRCOG's accountability for the money it receives. If you have questions about this report or need additional financial information, contact, Carl Amento, Executive Director, SCRCOG, 127 Washington Ave., 4th Floor West, North Haven, CT 06473.

DRAFT

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS

Statement of Net Assets

June 30, 2015

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 571,162
Certificates of deposit	101,224
Due from Federal and State Governments	979,114
Prepaid expenses	29,957
Fixed assets, net of depreciation	39,880
Other assets	11,663
Total assets	<u>\$ 1,733,000</u>
LIABILITIES	
Accounts payable	\$ 465,989
Deferred revenue	437,780
Noncurrent liabilities	10,579
Total liabilities	<u>\$ 914,348</u>
NET ASSETS	
Investment in capital assets	\$ 39,880
Unrestricted	778,772
Total net assets	<u><u>\$ 818,652</u></u>

DRAFT

The accompanying notes are an integral part of the financial statements

Exhibit A

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Statement of Activities
For the Year Ended June 30, 2015

	<u>Expenses</u>	<u>Program Revenues Operating Grants & Contributions</u>	<u>Net (Expense) Revenue & Changes in Net Assets</u>
Governmental Activities:			
Salaries	\$ 463,910	\$ 440,659	\$ (23,251)
Employee benefits	179,827	146,190	(33,637)
Rent	103,595	84,161	(19,434)
Postage and telephone	3,624	2,944	(680)
Office supplies	1,099	893	(206)
Equipment maintenance	17,719	14,920	(2,799)
Insurance	4,369	3,549	(820)
Printing and reproduction	1,608	1,550	(58)
Travel	6,712	6,709	(3)
Data processing	13,515	12,735	(780)
Dues and publications	1,941	1,904	(37)
Meetings	9,014	8,985	(29)
Advertising	2,298	2,253	(45)
Consulting	1,072,183	1,072,183	-
Professional services	8,302	6,745	(1,557)
Miscellaneous	1,776	1,776	-
Depreciation	8,356	8,356	-
Total expenditures	<u>\$ 1,899,848</u>	<u>\$ 1,816,512</u>	<u>\$ (83,336)</u>
General Revenues:			
Municipal dues			\$ 154,100
Unrestricted investment income			1,069
Miscellaneous revenue			2,266
Total general revenues			<u>\$ 157,435</u>
Change in net assets			\$ 74,099
Net assets, July 1, 2014			744,553
Net assets, June 30, 2015			<u>\$ 818,652</u>

The accompanying notes are an integral part of the financial statements

Exhibit B

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Governmental Funds
Balance Sheet
June 30, 2015

ASSETS	General Fund	Transportation Planning	State GIA	Regional GIS Project	Nonmajor Governmental Funds	Total Governmental Activities
Cash and cash equivalents	\$ 571,162	\$ -	\$ -	\$ -	\$ -	\$ 571,162
Certificates of deposit	101,224	-	-	-	-	101,224
Due from Federal and State Governments	-	835,055	-	37,036	107,023	979,114
Due from other funds	979,114	(835,055)	-	(37,036)	(107,023)	-
Prepaid expenses	29,957	-	-	-	-	29,957
Other assets	11,663	-	-	-	-	11,663
Total assets	<u>\$ 1,693,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,693,120</u>
LIABILITIES AND FUND BALANCE						
Liabilities:						
Accounts payable	\$ 465,989	\$ -	\$ -	\$ -	\$ -	\$ 465,989
Deferred revenue	-	-	211,448	-	226,332	437,780
Due to other funds	437,780	-	(211,448)	-	(226,332)	-
Total liabilities	<u>\$ 903,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 903,769</u>
Fund Balances:						
Nonspendable	\$ 31,120	\$ -	\$ -	\$ -	\$ -	\$ 31,120
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	758,231	-	-	-	-	758,231
Total fund balances	<u>\$ 789,351</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 789,351</u>
Total liabilities and fund balances	<u>\$ 1,693,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,693,120</u>
Amounts reported for governmental activities in the statement of net assets (Exhibit A) are different because:						
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds						39,880
Long-term liabilities, including accrued vacation leave are not due and payable in the current period and are not reported in the funds						(10,579)
						<u>\$ 818,652</u>

The accompanying notes are an integral part of the financial statements

Exhibit C

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year ended June 30, 2015

	<u>General Fund</u>	<u>Transportation Planning</u>	<u>State GIA</u>	<u>Regional GIS</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Activities</u>
Revenues:						
Municipal dues	\$ 154,100	\$ -	\$ -	\$ -	\$ -	\$ 154,100
Federal & State governments	-	1,246,402	198,553	215,432	156,125	1,816,512
Interest income	1,069	-	-	-	-	1,069
Other income	2,266	-	-	-	-	2,266
Total revenue	<u>\$ 157,435</u>	<u>\$ 1,246,402</u>	<u>\$ 198,553</u>	<u>\$ 215,432</u>	<u>\$ 156,125</u>	<u>\$ 1,973,947</u>
Expenditures:						
Salaries	\$ 133,308	\$ 260,648	\$ 43,038	\$ 19,248	\$ 9,670	\$ 465,912
Employee benefits	179,827	-	-	-	-	179,827
Rent	103,595	-	-	-	-	103,595
Postage and telephone	3,624	-	-	-	-	3,624
Office supplies	1,099	-	-	-	-	1,099
Equipment maintenance	14,921	-	-	-	-	14,921
Insurance	4,369	-	-	-	-	4,369
Printing and reproduction	310	-	1,298	-	-	1,608
Travel	1,521	1,943	2,787	163	298	6,712
Data processing	4,161	1,200	1,312	3,821	3,022	13,516
Dues and publications	605	-	1,336	-	-	1,941
Meetings	4,427	295	4,292	-	-	9,014
Advertising	239	1,323	-	-	737	2,299
Consulting	20	777,000	17,200	166,935	111,028	1,072,183
Professional services	8,301	-	-	-	-	8,301
Miscellaneous	138	360	1,277	-	-	1,775
Indirect costs allocated	(436,577)	342,127	56,492	25,265	12,693	-
Capital outlay	-	-	2,798	-	22,700	25,498
	<u>\$ 23,888</u>	<u>\$ 1,384,896</u>	<u>\$ 131,830</u>	<u>\$ 215,432</u>	<u>\$ 160,148</u>	<u>\$ 1,916,194</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 133,547</u>	<u>\$ (138,494)</u>	<u>\$ 66,723</u>	<u>\$ -</u>	<u>\$ (4,023)</u>	<u>\$ 57,753</u>
Other financing sources (uses):						
Local match/over spending	(75,794)	138,494	(66,723)	-	4,023	-
Total other financing sources (uses)	<u>\$ (75,794)</u>	<u>\$ 138,494</u>	<u>\$ (66,723)</u>	<u>\$ -</u>	<u>\$ 4,023</u>	<u>\$ -</u>
Change in fund balance	\$ 57,753	\$ -	\$ -	\$ -	\$ -	\$ 57,753
Fund balance, July 1, 2014	740,061	-	-	-	-	-
Fund balance, June 30, 2015	<u>\$ 797,814</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Governmental funds report capital outlays for equipment as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation in the current period

14,344

Expenses on the statement of activities for accumulated vacation pay do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds

2,002

Change in net assets of governmental activities (Exhibit B)

\$ 74,099

The accompanying notes are an integral part of the financial statements

Exhibit D

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Notes to Combined Financial Statements

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the South Central Regional Council of Government (SCRCOG) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant policies of the SCRCOG are described below.

In June 1999, GASB issued Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. The statement established a new reporting model for governments that is substantially different from prior reporting standards and includes the following segments:

Management's Discussion & Analysis – provides introductory information on basic financial statements and an analytical overview of the SCRCOG's financial activities.

Government-wide financial statements – consist of a statement of net assets and a statement of activities, which are prepared on the accrual basis of accounting. These statements distinguish between governmental activities and business-type activities and exclude fiduciary (employee retirement system and agency funds). Capital assets and long-term obligations (compensated absences, etc.) are included along with current assets and liabilities.

Required supplementary information – in addition to the MD&A, budgetary comparison schedules are presented for the Governmental funds, which include the General Fund and all Special Revenue funds as this is the basis on which the SCRCOG prepares its annual budget. The final adjusted budget is presented in comparison with the actual final budgetary revenues and expenditures (including encumbrances).

The Reporting Entity: The South Central Regional Council of Governments (the “SCRCOG”) is an association established under the provisions of the Statutes of the State of Connecticut Sections 4-124i through 4-124p. The Council is made up of the municipalities of Bethany, Branford, East Haven, Guilford, Hamden, Madison, Meriden, Milford, New Haven, North Branford, North Haven, Orange, Wallingford, West Haven and Woodbridge.

The purpose of the SCRCOG is to serve as a continuing forum to promote cooperative arrangements between its members to initiate and implement programs and to coordinate actions on a voluntary basis determined to be of benefit to the South Central Connecticut Region and to serve as a regular forum for contact and discussion of items of mutual interest among town and city officials. The Council considers such matters of a public nature common to two or more member communities as it deems appropriate, including matters affecting health, safety, welfare, education and economic conditions of the area comprised by its members.

Government-Wide and Fund Financial Statements: The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Notes to Combined Financial Statements

Note 1 (continued):

information on all of the nonfiduciary activities of the SCRCOG. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported as separate columns in the fund financial statements.

The only funds presented in the financial statements are governmental funds as the SCRCOG has no activities which would be included in Proprietary Funds or Fiduciary Funds. The funds which are included in the financial statements are described below.

Governmental Funds: Are those through which most governmental functions typically are financed.

General Fund - the primary operating fund of the SCRCOG. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from municipal dues, state and federal grants, and interest income.

Special Revenue Funds - account for revenue derived from specific sources, generally federal and state grants that are restricted by legal and regulatory provisions to finance specific activities.

Measurement focus, Basis of Accounting and Financial Statement presentation: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Notes to Combined Financial Statements

Note 1 (continued):

The SCRCOG reports the following major governmental funds:

The General Fund: is the SCRCOG's primary operating fund. It accounts for all financial resources of the SCRCOG, except those required to be accounted for in another fund.

The Transportation Planning Special Revenue Fund: represents the SCRCOG's main source of grant funding and source of funds for direct salaries to carry out the regional planning function of the SCRCOG.

The Regional GIS Special Revenue Fund: represents a project to develop a regional plan the great a GIS mapping system for the member communities.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include operating grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues, as such, general revenues include municipal dues. There are no Program Revenues associated with the "Charges for Services" or "Capital Grants and Contributions" categories.

When both restricted and unrestricted resources are available for use, it is the SCRCOG's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and Cash Equivalents: The SCRCOG considers all highly liquid investments and those with a maturity of three months or less when purchased to be cash equivalents.

Capital Assets: Capital assets, which include property and equipment are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant, and equipment is depreciated using the straight line method over the following estimated useful lives, generally 3 to 7 years.

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Notes to Combined Financial Statements

Note 1 (continued):

Compensated absences: During the first five years of employment, an employee accrues 5 and 3/4 hours per month up to a maximum of ten days of vacation leave per year. During the second five years of employment, an employee accrues 1 and 1/4 days per month up to a maximum of 15 days per year. After ten full years of employment, an employee accrues 1 and 2/3 days per month up to a maximum of 20 days per year. Employees may carryover a maximum of 10 vacation days to the next fiscal year after approval of the Executive Director. The carryover days must be used within the first quarter of the subsequent fiscal year. The employee, upon termination of employment from SCRCOG, is paid for accrued vacation leave based on the accrual limits specified above. The liability for accumulated vacation \$10,579 at June 30, 2015, which represents normal accumulations, has been recorded in the government-wide statement of net assets. The council's sick leave policy permits the accumulation of 15 sick days per year up to a maximum of 75 days. Employees are not paid for unused sick days upon termination of employment and, accordingly, sick pay is charged to expenditures when taken. No provision has been made in the financial statements for unused sick leave.

Allocation of Employee Benefits and Indirect Costs: SCRCOG employee benefits and indirect costs are allocated based upon actual direct labor expenditures to all grants in accordance with the Office of Management and Budget Circular A-87. SCRCOG employee benefits and indirect costs necessary to sustain overall operations are allocated to grant projects as a percentage of SCRCOG labor costs. The indirect cost factor for the year ended June 30, 2015, was 1.3126. The maximum allowed indirect cost rate by ConnDOT is 1.5.

Annual budget and budgetary accounting: SCRCOG's annual budget is a management tool that assists its users in analyzing financial activity for its fiscal year ending June 30. SCRCOG's primary funding source are federal and state grants which have grant periods that generally coincide with SCRCOG's fiscal year. These grants normally are for a twelve-month period; however, they can be awarded for periods shorter or longer than twelve months.

Because of SCRCOG's dependency on federal and state budgetary decisions, revenue estimates are based upon the best available information as to potential sources of funding.

The Executive Committee reviews and the full council formally approves the annual budget but emphasis must also be placed on complying with the grant budget, terms and conditions on a grant-by-grant basis. These terms and conditions usually specify the period during which costs may be incurred and outline budget restrictions or allowances.

Fund Equity: Equity in the government-wide financial statements is defined as "net assets" and is classified in the following categories:

Invested in Capital Assets, Net of Related Debt - This component of net assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Notes to Combined Financial Statements

Note 1 (continued):

Restricted Net Assets - Net assets are restricted because they are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets - This component consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The equity of the fund financial statements is defined as "fund balance" and is classified in the following categories:

Nonspendable Fund Balance - This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Restricted Fund Balance - This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors or laws and regulations of their governments.

Committed Fund Balance - This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Board).

Assigned Fund Balance - For all governmental funds other than the General Fund, this represents any remaining positive amounts not classified as restricted or committed. For the General Fund, this includes amounts constrained for the intent to be used for a specific purpose by the executive committee.

Unassigned Fund Balance - This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

NOTE 2 — RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS:

Explanation of Certain Differences Between the Governmental Fund Balance and the Government-Wide Statement of Net Assets: The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including accrued vacation days are not due and payable in the current period and are not reported in the funds". The details of this \$10,579 difference are as follows:

Accrued vacation days	\$10,579
-----------------------	----------

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Notes to Combined Financial Statements

Note 2 (continued):

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities:

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays for equipment 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". The details of this \$(8,932) difference are as follows:

Capital outlay	\$ 22,700
Depreciation expense	<u>(8,356)</u>
Net adjustment per Exhibit D	<u><u>\$(14,344)</u></u>

Another element of the reconciliation states that "Expenses on the statement of activities for accumulated vacation pay do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds". The details of this \$234 difference are as follows:

Accumulated vacation pay, July 1	\$ 12,581
Accumulated vacation pay, June 30	<u>10,579</u>
Difference	<u><u>\$ 2,002</u></u>

NOTE 3 — CASH, REPURCHASE AGREEMENTS, AND INVESTMENTS:

Statutes authorize the SCRCOG to invest in repurchase agreements, certificates of deposit, tax exempt funds, and direct and indirect obligations of the United States Government, which is interpreted to include repurchase agreements and the State Short-term Investment Fund. In conformity with these statutes the SCRCOG adopted an investment policy August 25, 1999, which allows for investment in the following instruments:

- U.S. Treasury Bills
- Treasury Notes or Bonds maturing within two years
- Bank savings accounts and certificates of deposit of banks and savings and loan institutions maturing within two years
- The State Treasurer's Short Term Investment Fund (STIF)

Assets of the employee pension fund, tax shelter fund and deferred compensation fund are not subject to the guidelines in State Statutes or the SCRCOG investment policy

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Notes to Combined Financial Statements

Note 3 (continued):

Cash and Cash Equivalents:

The following is a summary of cash and cash equivalents at June 30, 2015:

Deposits:	
Demand accounts	\$ 415,443
Other Cash Equivalents*	
State Short-Term Investment Fund	<u>155,719</u>
Total cash and Cash Equivalents	<u>\$ 571,162</u>

* Short-term, highly liquid investments readily convertible into known amounts of cash. The STIF fund is rated AAAm by S&P.

Deposits:

At June 30, 2015, the carrying amount of the SCRCOG's deposits and certificates of deposits was \$516,668 and the bank balance was \$534,972. Of these deposits \$351,224 was covered by federal depository insurance and \$183,748 was collateralized as required by State statute. All such deposit were in institutions considered to be "qualified public depositories" as defined in Section 36a-333 of the Connecticut General Statutes.

Investments:

The SCRCOG will periodically invest in certificates of deposit with a maturity greater than 90 days. At year end there were \$101,224 in certificates of deposit bearing an interest rate of 0.75% and an initial maturity of 1 year.

NOTE 4 — ACCOUNTS RECEIVABLE:

Accounts receivable consist of federal and state administered grant receivables for reimbursement of expenditures under various programs and grants. All amounts are expected to be collected within the next year.

NOTE 5 — FIXED ASSETS:

Capital assets activity for the year is summarized as follows:

	<u>Beginning</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending</u>
Assets:				
Furniture and fixtures	\$ 33,501	\$ -	\$ -	\$ 33,501
Equipment	3,191	-	-	3,191
Computer equipment	<u>81,689</u>	<u>22,700</u>	-	<u>104,389</u>
	<u>\$ 118,381</u>	<u>\$ 22,700</u>	<u>\$ -</u>	<u>\$ 141,081</u>

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Notes to Combined Financial Statements

Note 5 (continued):

Accumulated depreciation:

Furniture and fixtures	\$ 33,501	\$ -	\$ -	\$ 33,501
Equipment	3,191	-	-	3,191
Computer equipment	<u>56,153</u>	<u>8,356</u>	-	<u>64,509</u>
	<u>\$ 92,845</u>	<u>\$ 8,356</u>	<u>\$ -</u>	<u>\$ 101,201</u>
Book Value	<u>\$ 25,536</u>			<u>\$ 39,880</u>

Depreciation in the amount of \$0 was charged to general operations as an indirect expense with the balance charged as a direct expense against local dues.

NOTE 6 — RETIREMENT PLAN:

SCRCOG sponsors a defined contribution money purchase pension plan titled the *South Central Regional Council of Governments Money Purchase Plan*, which provides retirement benefits for all full-time permanent employees. The assets are administered by the Principal Financial Group and held in trust by Principal Trust Company and invested in mutual funds as directed by participants. SCRCOG contributes an amount equal to five percent (5%) of eligible employees' gross salaries. For the year ended June 30, 2015, the contribution totaled \$22,614 of which \$0 was offset by forfeitures. Employees become 20 percent (20%) vested after one year of employment. An additional 20 percent (20%) is vested for each additional full year of employment. An employee becomes fully vested after 5 years of employment. The plan has been established by the governing board of the SCRCOG and may be amended by the board.

Forfeitures are used to reduce the plan sponsor's contribution under the Plan. As of June 30, 2015, forfeitures totaling \$0 were available to reduce future contributions.

NOTE 7 — DEFERRED COMPENSATION PLAN:

SCRCOG employees may elect to defer a portion of their compensation under the provisions of Internal Revenue Code section 457 in the *South Central Regional Council of Governments Deferred Comp Plan*. Pursuant to Internal Revenue Code Section 457, such deferred income is only taxable in the year in which it is paid or otherwise made available to the employee or his/her beneficiary.

The assets of the deferred compensation plan are administered by the Principal Financial Group and held in trust by Principal Trust Company and invested in mutual funds as directed by participants. Pursuant to the provisions of GASB Statement 32 "Accounting and Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans a determination was made that there was not a fiduciary relationship between SCRCOG and the existing I.R.C. Section 457 plan that would require SCRCOG to report balances and transactions related to the plan. Employee contributions totaled \$9,787 during the year.

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Notes to Combined Financial Statements

NOTE 8 — OPERATING LEASES:

The SCRCOG entered into a five year noncancellable operating lease effective December 1, 2000, for office space at 127 Washington Avenue, North Haven, Connecticut. In May 2010 the lease was modified to extend the term through November 30, 2015. Monthly rent under this agreement was \$8,501 as of June 30, 2015. Rent expense for the year ended June 30, 2015, totaled \$103,595

The following is a schedule of future minimum rental payments required under the operating lease as of June 30, 2015:

<u>Year Ended June 30</u>	
2016	\$ 43,354
	<u>\$ 43,354</u>

NOTE 9 — FEDERAL INCOME TAXES:

The council is exempt from Federal taxation under Section §115 of the Internal Revenue Code as a political subdivision of the State of Connecticut.

NOTE 10 — RELATED PARTY ACTIVITY:

"Due from Special Revenue Fund" and "Due to General Fund" represent the amount due from the Special Revenue Fund to the General Fund for expenditures paid by one fund on behalf of the other fund.

NOTE 11 — ECONOMIC DEPENDENCY:

The SCRCOG derives substantial portions of its revenue from grants obtained from the U.S. Department of Transportation through the Connecticut Department of Transportation, should the relationship with either of these departments be jeopardized or these departments lose their own funding sources it is possible the SCRCOG would be unable to continue in its current form and function.

NOTE 12 — SUBSEQUENT EVENTS:

Subsequent events have been evaluated by management through November 2, 2015. The financial statements were available for issue on November 30, 2015.

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Schedule of Revenues and Other Financing Sources
Budget and Actual (Non-GAAP Budgetary Basis) General and Special Revenue Funds
For the Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
U.S. Department of Transportation	\$ 1,437,827	\$ 1,168,576	\$ (269,251)
U.S. Coastal Resilience Planning Grant	700,000	60,174	(639,826)
Connecticut Department of Transportation	419,150	144,477	(274,673)
Connecticut Office of Policy and Management	679,601	443,285	(236,316)
Municipal dues	154,100	154,100	-
Interest income	1,000	1,069	69
Other income	-	2,266	2,266
Total revenue	<u>\$ 3,391,678</u>	<u>\$ 1,973,947</u>	<u>\$ (1,417,731)</u>

Budgetary revenues are different from GAAP revenues because:

There are no differences between budgetary and GAAP revenues

Total revenues as reported in Exhibit D

\$ 1,973,947

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Schedule of Expenditures and Other Financing Uses
Budget and Actual (Non-GAAP Budgetary Basis) General and Special Revenue Funds
For the Year Ended June 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Expenditures:			
Labor	\$ 672,406	\$ 645,739	\$ 26,667
Travel	13,659	6,712	6,947
Data processing	77,300	16,314	60,986
General operations	186,179	152,546	33,633
Consultant services	1,448,563	1,072,183	376,380
Contingencies	993,571	-	993,571
Capital expenditures	-	22,700	(22,700)
	<u>\$ 3,391,678</u>	<u>\$ 1,916,194</u>	<u>\$ 1,475,484</u>

Budgetary expenditures are different from GAAP expenditures because:

Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes but in the year received for financial reporting

-

Total expenditures as reported in Exhibit D

\$ 1,916,194

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
General Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash and cash equivalents	\$ 571,162	\$ 518,174
Certificates of deposit	101,224	100,485
Due from other funds	979,114	360,601
Prepaid expenses	29,957	38,870
Other assets	11,663	11,663
Total assets	<u>\$ 1,693,120</u>	<u>\$ 1,029,793</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 465,989	\$ 298,195
Due to other funds	437,780	-
Total liabilities	<u>\$ 903,769</u>	<u>\$ 298,195</u>
Fund Balance:		
Nonspendable	\$ 31,120	\$ 50,533
Unassigned	758,231	681,065
Total fund balance	<u>\$ 789,351</u>	<u>\$ 731,598</u>
Total liabilities and fund balance	<u>\$ 1,693,120</u>	<u>\$ 1,029,793</u>

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Nonmajor Governmental Funds
Combined Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2015

	<u>Total</u>	<u>LOTICIP</u>	<u>Coastal Resilience Planning</u>	<u>Nutmeg Network</u>	<u>Mobility Management</u>
Revenues:					
Connecticut Office of Policy and Management	\$ 89,963	\$ -	\$ -	\$ 29,300	\$ 60,663
Connecticut DOT	5,988	5,988	-	-	-
National Fish and Wildlife Foundation	60,174	-	60,174	-	-
Total revenue	<u>\$ 156,125</u>	<u>\$ 5,988</u>	<u>\$ 60,174</u>	<u>\$ 29,300</u>	<u>\$ 60,663</u>
Expenditures:					
Salaries	\$ 9,670	\$ 2,491	\$ 5,089	\$ -	\$ 2,090
Printing and reproduction	-	-	-	-	-
Data processing	3,022	-	-	3,022	-
Travel	298	227	71	-	-
Meetings	-	-	-	-	-
Consulting	111,028	-	51,619	3,578	55,831
Indirect cost allocation	12,693	3,270	6,681	-	2,742
Equipment	22,700	-	-	22,700	-
Advertising	737	-	737	-	-
	<u>\$ 160,148</u>	<u>\$ 5,988</u>	<u>\$ 64,197</u>	<u>\$ 29,300</u>	<u>\$ 60,663</u>
Other Financing Sources (Uses):					
Operating transfers in and local match	4,023	-	4,023	-	-
Total expenditures	<u>\$ 156,125</u>	<u>\$ 5,988</u>	<u>\$ 60,174</u>	<u>\$ 29,300</u>	<u>\$ 60,663</u>
Excess (deficiency) of Revenues over Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balance, July 1	-	-	-	-	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedule by Source
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<u>Governmental Funds Capital Assets:</u>		
Furniture and Fixtures	\$ 33,501	\$ 33,501
Equipment	3,191	3,191
Computer Equipment	104,389	81,689
	<u>\$ 141,081</u>	<u>\$ 118,381</u>

Investments in Governmental Funds Capital Assets by Source:

General Fund revenue	\$ 53,402	\$ 53,402
Special Revenue Funds	87,679	64,979
	<u>\$ 141,081</u>	<u>\$ 118,381</u>

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Schedule of Indirect Costs
For the Year Ended June 30, 2015

		<u>Percentage</u>
Total payroll for the year	\$ 465,912	
Less		
Non-assignable salaries	125,950	
Base Payroll	<u>\$ 339,962</u>	<u>100.0000%</u>
Total indirect costs	<u>\$ 446,235</u>	<u>131.2603%</u>
Summary of indirect costs		
Non-assignable salaries	125,950	28.2250%
Fringe benefits	179,302	40.1811%
Non-personnel	140,983	31.5939%
Total indirect costs	<u>\$ 446,235</u>	<u>100.0000%</u>

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SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS

Cost Analysis

For the Year Ended June 30, 2015

	<u>Direct</u>	<u>Indirect</u>	<u>Total</u>
Salaries	\$ 339,962	\$ 125,950	\$ 465,912
Fringe benefits	\$ 525	\$ 179,302	\$ 179,827
Non-personnel			
Rent	\$ -	\$ 103,595	\$ 103,595
Postage and telephone	-	3,624	3,624
Office supplies	-	1,099	1,099
Equipment maintenance	-	14,921	14,921
Insurance	-	4,369	4,369
Printing and reproduction	1,298	310	1,608
Travel	6,695	17	6,712
Data processing	9,355	4,161	13,516
Dues and publications	1,746	195	1,941
Meetings	8,862	152	9,014
Advertising	2,060	239	2,299
Consulting	1,072,183	-	1,072,183
Professional services	-	8,301	8,301
Miscellaneous	1,775	-	1,775
Equipment use assessment	8,356	-	8,356
Capital purchases	2,798	-	2,798
Total non-personnel	<u>\$ 1,115,128</u>	<u>\$ 140,983</u>	<u>\$ 1,256,111</u>
Total costs	<u>\$ 1,455,615</u>	<u>\$ 446,235</u>	<u>\$ 1,901,850</u>
Total indirect costs absorbed by agency		<u>\$ -</u>	
Total allowable indirect costs		<u>\$ 446,235</u>	
Indirect cost rate		<u>1.3126</u>	

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Financial Summary for State of Connecticut Dept. of Transportation
For the Year Ended June 30, 2015

	FHWA-PL Project No. <u>DOT07159996PL</u>	FTA-PL Project No. <u>DOT07159996PL</u>	<u>Total</u>
I. Maximum Funds Authorized			
FHWA	\$ 1,401,850	\$ -	\$ 1,401,850
ConnDOT - FHWA	175,231	-	175,231
FTA	-	194,797	194,797
ConnDOT - FTA	-	24,350	24,350
Local	175,231	24,350	199,581
	<u>\$ 1,752,312</u>	<u>\$ 243,497</u>	<u>\$ 1,995,809</u>
II. Audited Expenditures			
Direct salaries	\$ 228,846	\$ 31,800	\$ 260,646
Indirect costs @ 131.26%	300,384	41,740	342,124
Direct costs	686,699	95,422	782,121
	<u>\$ 1,215,929</u>	<u>\$ 168,962</u>	<u>\$ 1,384,891</u>
III. Distribution of Audited Costs			
FHWA	\$ 972,743	\$ -	\$ 972,743
ConnDOT - FHWA	121,593	-	121,593
FTA	-	135,170	135,170
ConnDOT - FTA	-	16,896	16,896
Local	121,593	16,896	138,489
	<u>\$ 1,215,929</u>	<u>\$ 168,962</u>	<u>\$ 1,384,891</u>
IV. ConnDOT Responsibility			
FHWA	\$ 972,743	\$ -	\$ 972,743
ConnDOT - FHWA	121,593	-	121,593
FTA	-	135,170	135,170
ConnDOT - FTA	-	16,896	16,896
	<u>\$ 1,094,336</u>	<u>\$ 152,066</u>	<u>\$ 1,246,402</u>
Submissions received to June 30	\$ 395,096	\$ 54,901	\$ 449,997
Submissions received after June 30	717,750	99,737	817,487
Total payments received	<u>\$ 1,112,846</u>	<u>\$ 154,638</u>	<u>\$ 1,267,484</u>
Amount due from (to) ConnDOT	<u>\$ (18,510)</u>	<u>\$ (2,572)</u>	<u>\$ (21,082)</u>

Schedules Required
By the Federal Single Audit Act

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SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

<u>Federal Grantor/Pass-Through Grantor/Program</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Agreement/Project Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Transportation:</u>			
Pass-Through Programs From State of Connecticut			
Department of Transportation:			
Transportation Planning	20.205	4.21-17(14)/07159996PL	\$ 1,107,912
New Freedom Program	20.521	5.19-02(14)	54,597
<i>Total U.S. Department of Transportation</i>			<u>\$ 1,162,509</u>
<u>U.S. Department of the Interior:</u>			
Coastal Resiliency Grants	15.153		\$ 60,174
<i>Total U.S. Department of the Interior</i>			<u>\$ 60,174</u>
<i>Total Expenditures of Federal Awards</i>			<u>\$ 1,222,683</u>

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Schedule of Expenditures of Federal Awards
Notes to the Schedule
For the Year Ended June 30, 2015

NOTE A — BASIS OF PRESENTATION:

The accompanying schedule expenditure of federal awards includes the federal grant activity of South Central Regional Council of Governments and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the South Central Regional Council of Governments it is not intended to and does not present the financial position or changes in net assets of the South Central Regional Council of Governments.

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

- (1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in *OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) Pass-through entity identifying numbers are presented where available.

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Schedule of Findings and Questioned Costs - Federal Awards
For the Year Ended June 30, 2015

Section I — Summary of Auditor's Results:

Financial Statements:

Type of auditor's report issued: *Unmodified*

	<u>Yes</u>	<u>No/None Reported</u>
Internal control over financial reporting:		
• Material weaknesses identified?		✓
• Significant deficiencies identified?		✓
Noncompliance material to financial statements noted?		✓

Federal Awards:

Internal control over major programs:

- Material weaknesses identified? ✓
- Significant deficiencies identified? ✓

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 510(a) of Circular A-133? ✓

Major programs:

20.205 Transportation Planning

Dollar threshold used to distinguish between type A and B programs: \$300,000

Auditee qualified as low risk? ✓

Section II — Financial Statement Findings:

No findings or questioned costs are reported relating to the financial statements.

Section III — Federal Awards findings and Questioned Costs:

No findings or questioned costs are reported relating to Federal financial assistance programs.

Schedules Required
By the State Single Audit Act

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SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2015

<u>Grantor/Program</u>	<u>State Grant Program Core-CT Number</u>	<u>State Expenditures</u>
<u>Department of Transportation:</u>		
Regional Transportation Planning - State match	(a) 14DOT0312AA	\$ 138,489
Local Transportation Capital Improvement Program	13033-DOT57000-43584	5,988
New Freedoms Program - State match	(a) 15DOT0001AA	6,066
<i>Total Department of Transportation</i>		<u>\$ 150,543</u>
<u>Office of Policy and Management:</u>		
RPI Grant-Regional Web-Based GIS Program	11000-OPM20600-35457	215,432
<i>Total Office of Policy and Management</i>		<u>\$ 215,432</u>
<i>Total Expenditures of State Awards Before Exempt Programs</i>		<u>\$ 365,975</u>
Exempt Programs		
<u>Office of Policy and Management:</u>		
Grant-In-Aid for Regional Planning Agencies	12060-OPM20600-35457	198,553
RPI Grant-Nutmeg Network	12060-OPM20600-35457	29,300
<i>Total Office of Policy and Management</i>		<u>\$ 227,853</u>
<i>Total Exempt Programs</i>		<u>\$ 227,853</u>
<i>Total Expenditures of State Awards</i>		<u>\$ 593,828</u>

(a) State share of U.S. Department of Transportation pass-through grant.

The accompanying notes are an integral part of the financial statements

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Schedule of Expenditures of State Awards
Notes to the Schedule
For the Year Ended June 30, 2015

Various departments and agencies of the State of Connecticut have provided financial assistance to the South Central Regional Council of Governments through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including regional transportation projects and COG operations.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the South Central Regional Council of Governments conform to accounting principles generally accepted in the United States as applicable to governments. The following is a summary of the more significant policies relating to the aforementioned grant programs.

Basis of Accounting: The financial statements contained in the South Central Regional Council of Governments annual audit report are prepared on the modified accrual basis of accounting. The following is a summary of such basis:

- Revenues are recognized when they have become measurable and available.
- Expenditures are recorded when the related liability is incurred.

The Schedule of Expenditures of State Financial Assistance, contained in this report, is prepared based on regulations established by the State of Connecticut Office of Policy and Management. In accordance with these regulations (Section 4-236-22), certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule of Expenditures of State Financial Assistance.

SOUTH CENTRAL REGIONAL COUNCIL OF GOVERNMENTS
Schedule of Findings and Questioned Costs - State Awards
For the Year Ended June 30, 2015

Section I — Summary of Auditor's Results:

Financial Statements:

Type of auditor's report issued: *Unmodified*

	<u>Yes</u>	<u>No/None Reported</u>
Internal control over financial reporting:		
• Material weaknesses identified?		✓
• Significant deficiencies identified?		✓
Noncompliance material to financial statements noted?		✓

State Financial Assistance:

Internal control over major programs:

- Material weaknesses identified? ✓
- Significant deficiencies identified? ✓

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 4-236-24 of the Regulations to the State Single Audit Act? ✓

The following schedule reflects major programs included in the audit:

Department of Transportation		
Regional Transportation Planning	12062-DOT57353-22106	\$138,489
Office of Policy and Management		
Regional Web-Based GIS Program	11000-OPM20600-35457	\$215,432

Dollar threshold used to distinguish between type A and B programs: \$100,000

Section II — Financial Statement Findings:

No findings or questioned costs are reported relating to the financial statements.

Section III — Federal Awards findings and Questioned Costs:

No findings or questioned costs are reported relating to Federal financial assistance programs.