

METROPOLITAN AREA PLANNING COUNCIL

***REPORT ON EXAMINATION OF
BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION***

YEAR ENDED JUNE 30, 2017

METROPOLITAN AREA PLANNING COUNCIL

REPORT ON EXAMINATION OF BASIC FINANCIAL
STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2017

TABLE OF CONTENTS

	PAGE
FINANCIAL SECTION	
Independent Auditor's Report	2
Management's Discussion and Analysis	5
BASIC FINANCIAL STATEMENTS	
Combining statement of net position	11
Combining statement of revenues, expenses and changes in net position	12
Combining statement of cash flows	13
Notes to basic financial statements	14
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of the Special Funding Amounts of the Net Pension Liability of the Massachusetts State Employees Retirement System	28
Notes to Required Supplementary Information	29
OTHER SUPPLEMENTARY INFORMATION	
Combining schedule of indirect costs	32
Combining schedule of revenues and expenses – MAPC	33
Combining schedule of revenues and expenses – CTPS	41

Financial Section

Includes the following Funds:

Metropolitan Area Planning Council (MAPC) Direct Fund

Central Transportation Planning Staff (CTPS) Fund

MetroFuture, Inc. Fund



100 Quannapowitt Parkway
Suite 101
Wakefield, MA 01880
T. 781-914-1700
F. 781-914-1701
www.powersandsullivan.com

Independent Auditor's Report

To the Executive Committee
Metropolitan Area Planning Council

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and each major fund of the Metropolitan Area Planning Council (MAPC or Council), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise MAPC's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of MAPC, as of June 30, 2017, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the MAPC's basic financial statements. The combining schedules, as listed in the table of contents, are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 2, 2018 on our consideration of MAPC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the MAPC's internal control over financial reporting and compliance.



May 2, 2018

Management's Discussion and Analysis

Management's Discussion and Analysis

As the management of the Metropolitan Area Planning Council (the MAPC or Council), we offer our readers of these financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2017. We encourage readers to consider the information presented in this report. All amounts, unless otherwise indicated, are expressed in whole dollars.

The MAPC is a body corporate and politic established pursuant to Chapter 40B of the Massachusetts General Laws (MGL). The MAPC is a regional planning and economic development district, consisting of 101 member communities in the metropolitan Boston area, whose purpose is to develop comprehensive plans and recommendations in areas of population and employment, transportation, economic development, regional growth and the environment. The MAPC also provides technical assistance and advocacy to its member communities.

Overview of the Financial Statements

The financial statements are presented using the accrual basis of accounting where revenues are recognized when earned and expenses when incurred. The financial statements, which are presented as combining statements for MAPC Direct, CTPS, and MetroFuture, Inc., consist of the following:

The *combining statement of net position* presents information on all assets and deferred outflows and liabilities and deferred inflows, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The *combining statement of revenues, expenses, and changes in net position* presents information showing how the Council's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future periods.

The *combining statement of cash flows* presents information showing how the Council's cash and cash equivalents changed during the current reporting period.

The *notes to the basic financial statements* provide additional information that is essential to the full understanding of the data provided in the financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents the following combining schedules as supplementary information:

The *Combining Schedule of Indirect Costs* reports indirect costs for the MAPC Direct Fund and the CTPS Fund.

The *MAPC Direct Fund Combining Schedule of Revenues and Expenses* reports activity in the MAPC Direct Fund by project.

The *CTPS Fund Combining Schedule of Revenues and Expenses* reports activity in the CTPS Fund by project.

Financial Highlights

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. The Council's assets exceeded liabilities by \$2.2 million at the close of the most recent year. Key components of the Council's activities are presented below.

	<u>2017</u>	<u>2016</u>
Assets:		
Current assets.....	\$ 8,086,527	\$ 8,116,854
Capital assets, net of accumulated depreciation.....	<u>567,276</u>	<u>733,001</u>
Total assets.....	<u>8,653,803</u>	<u>8,849,855</u>
Liabilities:		
Current liabilities (excluding debt).....	6,161,236	5,817,358
Noncurrent liabilities (excluding debt).....	31,662	53,021
Current debt.....	100,592	117,203
Noncurrent debt.....	<u>165,856</u>	<u>256,237</u>
Total liabilities.....	<u>6,459,346</u>	<u>6,243,819</u>
Net Position:		
Net investment in capital assets.....	300,828	359,561
Unassigned.....	<u>1,893,629</u>	<u>2,246,475</u>
Total net position.....	<u>\$ 2,194,457</u>	<u>\$ 2,606,036</u>

Net position of \$301,000 (14%) reflects the investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The remaining balance of unrestricted net position of \$1.9 million (86%) may be used to meet the MAPC's ongoing obligations to cities and towns and other creditors.

In 2017, MAPC acquired capital assets totaling \$87,000 relating to office equipment (mainly computers) and financial reporting software.

	<u>2017</u>	<u>2016</u>
Operating Revenues:		
Intergovernmental grants and contracts..... \$	12,657,974	\$ 12,882,297
Intergovernmental - Commonwealth pension support....	3,000,995	2,069,538
Private grants and contracts.....	1,827,496	1,542,624
Charges for services.....	1,453,540	865,254
Contributions.....	140,917	85,000
Member assessments.....	1,469,019	1,823,252
Total operating revenues.....	<u>20,549,941</u>	<u>19,267,965</u>
Operating Expenses:		
Direct:		
Salaries and benefits.....	6,021,526	5,784,664
Commonwealth pension support.....	3,000,995	2,069,538
Professional services.....	3,107,365	2,846,010
Equipment.....	42,909	43,601
Homeland Security capital outlay.....	1,872,162	1,739,989
Supplies.....	28,179	83,620
Communications.....	7,047	9,673
Travel.....	99,113	84,451
Meetings and conferences.....	58,859	27,060
Other.....	10,178	26,915
Total direct expenses.....	<u>14,248,333</u>	<u>12,715,521</u>
Indirect:		
General overhead.....	6,437,310	6,076,726
CTPS administrative services.....	282,100	284,770
Total indirect expenses.....	<u>6,719,410</u>	<u>6,361,496</u>
Total operating expenses.....	<u>20,967,743</u>	<u>19,077,017</u>
Operating income.....	<u>(417,802)</u>	<u>190,948</u>
Nonoperating Revenues (Expenses):		
Investment income.....	<u>6,223</u>	<u>817</u>
Change in net position.....	<u>(411,579)</u>	<u>191,765</u>
Net position - beginning.....	<u>2,606,036</u>	<u>2,414,271</u>
Net position - ending..... \$	<u><u>2,194,457</u></u>	<u><u>2,606,036</u></u>

Total operating revenue increased \$1.3 million and operating expenses increased \$1.9 million from the prior year. Approximately \$931,000 of the increases in revenues and expenses relate to the Commonwealth's pension support recorded as on-behalf payments to the Organization. Expenses also increased in 2017 related to the activities of the MetroFuture fund where revenues recorded in prior years were expended during the current year.

Requests for Information

This financial report is designed to provide a general overview of the MAPC's finances for all those with an interest in the Council's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance at Metropolitan Area Planning Council, 60 Temple Place, Boston, Massachusetts 02111.

This page left intentionally blank

Basic Financial Statements

**PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION**

JUNE 30, 2017

	<i>Business-Type Activities</i>			Total
	MAPC Direct	CTPS	MetroFuture, Inc.	
ASSETS				
CURRENT:				
Cash and cash equivalents.....	\$ 3,615,735	\$ 822,419	\$ 255,583	\$ 4,693,737
Accounts receivable, net of allowance for uncollectibles.....	2,518,341	852,349	-	3,370,690
Prepaid expenses.....	22,100	-	-	22,100
Total current assets.....	6,156,176	1,674,768	255,583	8,086,527
NONCURRENT:				
Capital assets, net of accumulated depreciation.....	567,276	-	-	567,276
TOTAL ASSETS.....	6,723,452	1,674,768	255,583	8,653,803
LIABILITIES				
CURRENT:				
Accounts payable.....	1,333,129	25,173	219,350	1,577,652
Accrued payroll and expenses.....	167,577	119,821	-	287,398
Grant advances.....	3,320,494	248,591	-	3,569,085
Due to granting agencies.....	-	73,182	-	73,182
Rent credits.....	21,359	-	-	21,359
Capital lease obligations.....	34,343	-	-	34,343
Compensated absences.....	293,765	338,795	-	632,560
Notes payable.....	66,249	-	-	66,249
Total current liabilities.....	5,236,916	805,562	219,350	6,261,828
NONCURRENT:				
Capital lease obligations.....	6,120	-	-	6,120
Rent credits.....	31,662	-	-	31,662
Note payable.....	159,736	-	-	159,736
Total noncurrent liabilities.....	197,518	-	-	197,518
TOTAL LIABILITIES.....	5,434,434	805,562	219,350	6,459,346
NET POSITION				
Net investment in capital assets.....	300,828	-	-	300,828
Unassigned.....	988,190	869,206	36,233	1,893,629
TOTAL NET POSITION.....	\$ 1,289,018	\$ 869,206	\$ 36,233	\$ 2,194,457

See notes to basic financial statements.

PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEAR ENDED JUNE 30, 2017

	<i>Business-Type Activities</i>			
	MAPC Direct	CTPS	MetroFuture, Inc.	Total
OPERATING REVENUES:				
Intergovernmental grants and contracts.....	\$ 6,692,176	\$ 5,965,798	\$ -	\$ 12,657,974
Intergovernmental - Commonwealth pension support.....	3,000,995	-	-	3,000,995
Private grants and contracts.....	1,827,496	-	-	1,827,496
Contributions.....	-	-	140,917	140,917
Charges for services.....	1,453,540	-	-	1,453,540
Member assessments.....	1,469,019	-	-	1,469,019
TOTAL OPERATING REVENUES.....	14,443,226	5,965,798	140,917	20,549,941
OPERATING EXPENSES:				
Direct expenses:				
Salaries and benefits.....	3,105,990	2,915,536	-	6,021,526
Commonwealth pension support.....	3,000,995	-	-	3,000,995
Professional services.....	2,442,914	-	664,451	3,107,365
Equipment.....	1,765	41,144	-	42,909
Homeland Security capital outlay.....	1,872,162	-	-	1,872,162
Supplies.....	28,154	-	25	28,179
Communications.....	7,047	-	-	7,047
Travel.....	85,290	13,823	-	99,113
Meetings and conferences.....	58,859	-	-	58,859
Other.....	7,092	-	3,086	10,178
Sub-total.....	10,610,268	2,970,503	667,562	14,248,333
Indirect expenses:				
General overhead.....	3,769,828	2,667,482	-	6,437,310
CTPS administration services.....	282,100	-	-	282,100
Sub-total.....	4,051,928	2,667,482	-	6,719,410
TOTAL OPERATING EXPENSES.....	14,662,196	5,637,985	667,562	20,967,743
OPERATING INCOME (LOSS).....	(218,970)	327,813	(526,645)	(417,802)
NONOPERATING REVENUES (EXPENSES):				
Investment income.....	4,427	1,510	286	6,223
INCREASE (DECREASE) BEFORE TRANSFERS.....	(214,543)	329,323	(526,359)	(411,579)
TRANSFERS IN (OUT):				
Indirect costs transfers in (out) - CTPS.....	282,100	(282,100)	-	-
INCREASE (DECREASE) IN NET POSITION.....	67,557	47,223	(526,359)	(411,579)
NET POSITION AT BEGINNING OF YEAR.....	1,221,461	821,983	562,592	2,606,036
NET POSITION AT END OF YEAR.....	\$ 1,289,018	\$ 869,206	\$ 36,233	\$ 2,194,457

See notes to basic financial statements.

**PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS**

YEAR ENDED JUNE 30, 2017

	<i>Business-Type Activities</i>			
	MAPC Direct	CTPS	MetroFuture, Inc.	Total
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>				
Receipts from customers and users.....	\$ 15,778,829	\$ 5,770,370	\$ 140,917	\$ 21,690,116
Payments to vendors.....	(9,403,448)	(972,340)	(448,212)	(10,824,000)
Payments to employees.....	(5,401,686)	(4,637,163)	-	(10,038,849)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES.....	973,695	160,867	(307,295)	827,267
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u>				
Indirect costs transfers in (out) - CTPS.....	282,100	(282,100)	-	-
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>				
Acquisition of capital assets.....	(87,140)	-	-	(87,140)
Principal payments on notes payable.....	(63,340)	-	-	(63,340)
Principal redemption of capital lease obligations.....	(43,652)	-	-	(43,652)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES.....	(194,132)	-	-	(194,132)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Investment income.....	4,427	1,510	286	6,223
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	1,066,090	(119,723)	(307,009)	639,358
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	2,549,645	942,142	562,592	4,054,379
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	\$ 3,615,735	\$ 822,419	\$ 255,583	\$ 4,693,737
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</u>				
Operating income (loss).....	\$ (218,970)	\$ 327,813	\$ (526,645)	\$ (417,802)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation and amortization.....	252,865	-	-	252,865
Changes in assets and liabilities:				
Accounts receivable.....	586,636	80,471	-	667,107
Prepaid expenses.....	2,578	-	-	2,578
Accounts payable.....	(446,854)	(54,880)	219,350	(282,384)
Accrued payroll.....	38,990	42,053	-	81,043
Grant advances.....	748,967	(275,899)	-	473,068
Rent credits.....	(15,713)	-	-	(15,713)
Compensated absences.....	25,196	41,309	-	66,505
Total adjustments.....	1,192,665	(166,946)	219,350	1,245,069
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES.....	\$ 973,695	\$ 160,867	\$ (307,295)	\$ 827,267

See notes to basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Metropolitan Area Planning Council (MAPC or Council) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles. The significant MAPC accounting policies are described herein.

A. Reporting Entity

The MAPC is a body corporate and politic established pursuant to Chapter 40B of the Massachusetts General Laws (MGL). The MAPC is a regional planning and economic development district, consisting of 101 member communities in the metropolitan Boston area, whose purpose is to develop comprehensive plans and recommendations in areas of population and employment, transportation, economic development, regional growth and the environment. The MAPC also provides technical assistance and advocacy to its member communities.

One representative from each member community resides on the MAPC, as well as 21 persons appointed by the Governor of Massachusetts and 13 ex-officio members from various agencies of the Commonwealth of Massachusetts (Commonwealth) and the City of Boston. The MAPC elects a 25-member Executive Committee (Committee), which appoints an Executive Director (Director) to supervise and direct the administration of the MAPC.

For financial reporting purposes, the MAPC has included all funds, organizations, agencies, boards and commissions. The MAPC has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the MAPC are such that exclusion would cause the MAPC's basic financial statements to be misleading or incomplete. One entity has been included as a component unit in the reporting entity, because of the significance of its operational and/or financial relationship.

Blended Component Units – Blended component units are entities that are legally separate from the Council, but are so related that they are, in substance, the same as the Council or entities providing services entirely or almost entirely for the benefit of the Council. The following component unit is blended within the primary government:

- *MetroFuture, Inc.* is a non-profit corporation organized in accordance with Section 501(c) (3) of the Internal Revenue Code. The Corporation is organized to provide education, programs, and leadership in regional and transportation planning, in urban and community preservation, growth, and affordability, and in the use of critical natural resources. The Corporation is governed by a six-member board comprised of the President, Vice-President, Secretary, Treasurer, Immediate Past President, and the Executive Director of MAPC.

Availability of Financial Information for Component Units

The Corporation did not issue a separate audited financial statement. The Corporation issues a publicly available unaudited financial report which may be obtained by contacting the Director of Finance of Metropolitan Area Planning Council, located at 60 Temple Place, Boston, Massachusetts, 02111.

Fiduciary Agent Agreement

The MAPC is the fiduciary agent for the Boston Metropolitan Planning Organization (MPO), whose purpose is to provide comprehensive, continuing, and cooperative transportation planning within the regional planning and economic development district. The MPO is not a legal entity and therefore cannot accept and disburse funds or

execute contracts. MPO staff (hereinafter referred to as Central Transportation Planning Staff (CTPS)), are legal employees of the MAPC but receive their overall direction from the MPO.

The MAPC is the fiduciary agent for the MPO, grant recipient and grant administrator for the North Eastern Massachusetts Law Enforcement Council, Inc. (NEMLEC) and its member agencies. The NEMLEC is a non-profit organization whose purpose is to increase and improve the capability to provide protection of life and property in the region (Metropolitan Boston and the counties of Essex and Middlesex). The MAPC's services include the preparation of grant applications, contract and subcontract documents, procurement administration, reporting and centralized recordkeeping. The MAPC charges an administrative fee on a per grant basis to cover all direct and indirect costs.

The MAPC is the fiduciary agent, grant recipient and grant administrator for the Metropolitan Law Enforcement Council, Inc. (METROLEC) and its member agencies. The METROLEC is a non-profit organization whose purpose is to increase and improve the capability to provide protection of life and property in the region (Metropolitan Boston and the counties of Norfolk and Plymouth). The MAPC's services include the preparation of grant applications, contract and subcontract documents, procurement administration, reporting and centralized recordkeeping. The MAPC charges an administrative fee on a per grant basis to cover all direct and indirect costs.

Memorandum of Understanding

The MAPC has entered into Memorandum of Understandings with the Greater Boston Police Council, Inc. (GBPC) and with the Fire Chiefs Association of Massachusetts (FCAM), non-profit organizations that provide technical assistance and advice to member municipalities and other police and fire agencies in the Commonwealth of Massachusetts regarding public safety and communication equipment and radio systems utilized by municipal police and fire departments. In an effort to minimize procurement costs, the MAPC administers collective procurements of public safety equipment under the support of the member agencies. The administration of these services includes the preparation of specifications, advertising, bid openings, award recommendations, model contract documents and centralized bookkeeping. The MAPC charges an administrative fee to all vendors who are awarded contracts under these Agreements. In addition, the MAPC pays a fee to GBPC and to FCAM from such fees collected.

The MAPC has entered into a Memorandum of Understanding with MetroFuture, which (as previously discussed) is a blended component unit of the MAPC. The MAPC provides all administrative support, financial management and technical assistance with corporate and tax reporting to remain in compliance with federal and state laws and regulations. The MAPC also provides planning, research, and educational services to implement the scopes of services of grant agreements and contracts between MetroFuture and various governmental and charitable organizations. The MAPC charges a 2% general and administrative fee for each grant or contract awarded to MetroFuture.

B. Measure Focus, Basis of Accounting and Financial Statement Presentation

The accompanying basic financial statements are prepared on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred.

Revenues are considered earned when billed (billed accounts receivable) and also when expenses have been incurred but not yet billed or reimbursed (unbilled accounts receivable).

The accounts of the MAPC are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related, legal and

contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The MAPC maintains the following funds:

The *MAPC Direct Fund* is used to account for the activities of the MAPC that are not related to CTPS.

The *CTPS Fund* is used to account for the activities of the MPO.

The *MetroFuture, Inc. Fund* is used to provide education, programs, and leadership in regional and transportation planning, in urban and community preservation, growth, and affordability, and in the use of critical natural resources.

C. Cash and Investments

The MAPC's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition. Investments are carried at fair value.

D. Fair Value Measurements

The MAPC reports required types of financial instruments in accordance with the fair value standards. These standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or valuation techniques) to determine fair value. Fair value standards also require the government to classify these financial instruments into a three-level hierarchy, based on the priority of inputs to the valuation technique or in accordance with net asset value practical expedient rules, which allow for either Level 2 or Level 3 depending on lock up and notice periods associated with the underlying funds.

Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 – Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments, which are generally included in this category, include actively traded equity and debt securities, U.S. government obligations, and mutual funds with quoted market prices in active markets.

Level 2 – Pricing inputs are other than quoted in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Certain fixed income securities, primarily corporate bonds, are classified as Level 2 because fair values are estimated using pricing models, matrix pricing, or discounted cash flows.

Level 3 – Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation.

In some instances the inputs used to measure fair value may fall into different levels of the fair value hierarchy and is based on the lowest level of input that is significant to the fair value measurement.

Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Instruments with readily available active quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. It is reasonably possible

that change in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in these financial statements.

E. Accounts Receivable

Various state and federal operating and capital grants are applied for and received annually. For non-expenditure driven grants, revenue is recognized as soon as all eligibility requirements imposed by the provider have been met. For expenditure driven grants, revenue is recognized when the qualifying expenditures are incurred and all other grant requirements are met.

F. Allowance for Uncollectible Amounts

The allowance of uncollectible amounts is estimated based on historical trends and specific account analysis for accounts receivable.

G. Inventory

Inventories are recorded as an expense at the time of purchase. Such inventories are not material in total to the basic financial statements and therefore are not reported.

H. Capital Assets

MAPC Direct and CTPS

The fixed assets of MAPC Direct and CTPS are valued at historical cost. Depreciation is provided using the straight-line method for financial reporting purposes at rates based on the following estimated useful lives:

Description	Years
Office equipment.....	3 - 7
Software and licenses.....	10
Leasehold improvements.....	3 - 10

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized and are treated as expenses when incurred. Improvements are capitalized.

MAPC Direct capitalizes all capital acquisitions and improvements in excess of \$2,000 at the date of acquisition or improvement, respectively, with expected useful lives of greater than one year. CTPS capitalizes amounts in excess of \$5,000.

MetroFuture, Inc.

Fixed assets of the MetroFuture, Inc. Fund are not material to the basic financial statements and are not reported.

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Council did not have any elements that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Council did not have any elements that qualify for reporting in this category.

J. Net Position Flow Assumption

Sometimes the Council will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Council’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

K. Interfund Transfers

During the course of its operations, resources are permanently reallocated between and within funds. These transactions are reported as transfers in and transfers out.

L. Compensated Absences

Employees are granted vacation leave in varying amounts based on state laws and executive policies. Vested or accumulated vacation leave is recorded as a liability.

M. Capital Lease Obligations

Capital lease obligations are recorded in the MAPC Direct Fund and the CTPS Fund. Principal paid on capital leases is recorded as a reduction of the liability. Interest paid on capital leases is recorded as an indirect expense.

N. Member Community Assessments

MAPC Direct Fund

Member community assessments are based upon a per capita rate applied to the population of each member community.

O. Indirect Costs

The MAPC charges indirect costs at various rates based on contract and grant agreements. The MAPC Direct Fund charges indirect costs at various rates. The indirect cost rate of 121% is a blended rate of each contract and grant within the MAPC Direct Fund.

P. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Massachusetts State Employee Retirement System (“System”) and additions to/deductions from the System’s fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Q. Insurance

The MAPC is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the MAPC carries commercial insurance.

R. Use of Estimates

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of the revenues and expenses during the year. Actual results could vary from estimates that were used.

S. Total Column

The total column used on the Combining Basic Financial Statements is presented only to facilitate financial analysis. Data in this column is the equivalent of consolidated financial information.

NOTE 2 – CASH AND INVESTMENTS

A cash and investment pool is maintained that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and cash equivalents."

Statutes authorize the investment in obligations of the U.S. Treasury, agencies, and instrumentalities, certificates of deposit, repurchase agreements, money market accounts, bank deposits and the State Treasurer's Investment Pool (the Pool). The MAPC may also invest trust funds in securities, other than mortgages or collateral loans, which are legal for the investment of funds of savings banks under the laws of the Commonwealth.

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the MAPC's deposits may not be returned to it. The MAPC does not have a deposit policy for custodial credit risk. At year-end, the carrying amount of deposits totaled \$4,693,737 and the bank balance totaled \$4,870,920. Of the bank balance, \$250,000 was covered by Federal Depository Insurance (FDIC), and the balance of \$4,620,920 was exposed to custodial credit risk because it was uninsured and uncollateralized.

At June 30, 2017, the MAPC had no investments and has not adopted formal policies relating to investment rate risk, credit risk, or for concentrations of credit risk for investments.

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 was as follows:

<u>Capital assets being depreciated:</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Office equipment.....	\$ 1,691,267	\$ 81,466	\$ (37,909)	\$ 1,734,824
Software and licenses.....	690,637	5,674	-	696,311
Leasehold improvements.....	305,503	-	-	305,503
Total capital assets being depreciated.....	<u>2,687,407</u>	<u>87,140</u>	<u>(37,909)</u>	<u>2,736,638</u>
<u>Less: accumulated depreciation for:</u>				
Office equipment.....	(1,397,167)	(193,493)	37,909	(1,552,751)
Software and licenses.....	(416,617)	(40,857)	-	(457,474)
Leasehold improvements.....	<u>(140,622)</u>	<u>(18,515)</u>	<u>-</u>	<u>(159,137)</u>
Total accumulated depreciation.....	<u>(1,954,406)</u>	<u>(252,865)</u>	<u>37,909</u>	<u>(2,169,362)</u>
Total capital assets, net.....	<u>\$ 733,001</u>	<u>\$ (165,725)</u>	<u>\$ -</u>	<u>\$ 567,276</u>

Depreciation expense amounted to \$252,865 for the year ended June 30, 2017.

NOTE 4 – LEASES*Operating Leases*

The MAPC and CTPS rented office space at several locations under separate lease agreements that were originally scheduled to expire on various dates through June 30, 2012. In July of 2009 the MAPC renegotiated its main office lease to include additional space and certain build-out provisions provided by the landlord. In February of 2015 the MAPC again renegotiated its main office lease to take even more space in the building. The revised MAPC lease agreement was re-negotiated in February of 2015 and will run through August 31, 2024.

The CTPS lease agreement expired on June 30, 2015 and they are a tenant-at-will while a new lease is being negotiated.

The minimum annual lease payments for operating leases with a remaining term of one year or more consist of the following:

<u>Fiscal Year:</u>	<u>MAPC Direct</u>
2018.....	\$ 640,294
2019.....	650,170
2020.....	660,046
2021.....	669,922
2022.....	679,798
2023.....	689,674
2024.....	699,550
2025.....	<u>116,866</u>
 Total.....	 \$ <u><u>4,806,320</u></u>

The new MAPC lease agreement provided for a rent-free period at the beginning of the lease and for scheduled increases in monthly rent over the life of the lease. In accordance with GAAP, the MAPC is accounting for this lease on a straight-line basis over the life of the lease and the cumulative differences as of June 30, 2017, have been recorded as “Rent Credits” on the Statement of Net Position.

Rent expense for the year ended June 30, 2017, was \$688,000 for MAPC and \$322,000 for CTPS, which totaled just over \$1,009,000.

Capital Leases

The MAPC and CTPS have entered into various lease/purchase agreements that are considered capital leases. These agreements are for various terms that expire through February 2018. Equipment originally acquired under these capital leases totaled approximately \$285,000. At June 30, 2017, the future minimum payments under capital leases are as follows:

<u>Year Ending June 30:</u>	<u>MAPC Direct</u>
2018.....	\$ 39,040
2019.....	<u>6,471</u>
 Total payments.....	 45,511
 Less amounts representing interest.....	 <u>(5,048)</u>
 Total.....	 \$ <u><u>40,463</u></u>

NOTE 5 – SHORT-TERM FINANCING

State law permits the MAPC, under the provisions of Chapter 40B, Section 8, to borrow (on a short-term basis) an amount not to exceed the current year assessment to its member communities. Short-term debt may be issued to fund current operating costs prior to the collection of revenues through issuance of revenue anticipation notes.

Short-term loans are general obligations of the MAPC and carry maturity dates that are limited by statute.

There was no short-term financing activity during the year or any balance outstanding as of June 30, 2017.

NOTE 6 – LONG-TERM FINANCING

During fiscal year 2016, MAPC signed a promissory note with a local bank to help finance a portion of the cost of its new computer system along with the financing of certain leasehold improvements. Details related to the outstanding long-term financing at June 30, 2017, are as follows:

Purpose	Interest Rate (%)	Due Date	Balance at June 30, 2016	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2017
Term Note Payable.....	4.50%	9/30/2020	\$ 289,325	\$ -	\$ 63,340	\$ 225,985

Debt service requirements for principal and interest in future years are as follows:

Year	Principal	Interest	Total
2018.....	\$ 66,249	\$ 8,814	\$ 75,063
2019.....	69,293	5,771	75,064
2020.....	72,476	2,587	75,063
2021.....	17,967	132	18,099
	<u>\$ 225,985</u>	<u>\$ 17,304</u>	<u>\$ 243,289</u>

NOTE 7 – HOMELAND SECURITY PROGRAM GRANT

In accordance with the specific terms of the Homeland Security federal grant programs, the MAPC provides equipment, training, and various other services to participating cities and towns. Federal guidelines require that property acquired with grant funds be tagged and tracked using a computer-based inventory system. Since the equipment provided under the grants vest with the participating cities and towns, no amounts have been capitalized in the accounts of MAPC.

The following expenses of the Homeland Security Programs administered by the MAPC are included in the direct expenses reported in the MAPC Direct fund:

	2017 MAPC Direct
Salaries and benefits.....	\$ 434,303
Professional services.....	1,665,243
Homeland Security capital outlay.....	1,872,162
Supplies.....	353
Travel.....	12,607
Meetings and conferences.....	10,121
Total.....	<u>\$ 3,994,789</u>

NOTE 8 – PENSION AND POSTEMPLOYMENT BENEFITSPension*Plan Descriptions*

MAPC is a member of the Massachusetts State Employees' Retirement System (MSERS) that is a public employee retirement system that administers a cost-sharing multi-employer defined benefit plan, covering substantially all employees of the Commonwealth and certain employees of the independent authorities and agencies. The MSERS is part of the Commonwealth's reporting entity and the audited financial report may be obtained by visiting <http://www.mass.gov/osc/publications-and-reports/financial-reports/>.

MAPC enabling legislation established that their employees are members of MSERS. However, the legislation does not provide an employer funding mechanism for MAPC. Consequently, the Commonwealth is considered the nonemployer contributor and is considered legally responsible to make all actuarially determined employer contributions on behalf of MAPC. Therefore the Commonwealth's share of the collective net pension liability is considered to be in a 100% special funding situation as defined by GASB.

Special Funding Situations

The Commonwealth is a nonemployer contributor and is required by statute to make 100% of all actuarially determined employer contributions on behalf of MAPC to the MSERS. Since MAPC does not contribute directly to MSERS, there is no net pension liability to recognize. The total of the Commonwealth provided contributions have been allocated based on each employer's covered payroll to the total covered payroll of employers in MSERS as of the measurement date of June 30, 2016. MAPC's portion of the collective pension expense, contributed by the Commonwealth, of \$3,000,995 is reported as intergovernmental revenue and pension expense in the current year. The portion of the Commonwealth's collective net pension liability associated with MAPC is \$21,608,834 as of the measurement date.

Benefits Provided

The System provides retirement, disability, survivor and death benefits to plan members and beneficiaries. Massachusetts State Employee Retirement System benefits are, with certain minor exceptions, uniform from system to system. The System provides for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For persons who became members on or after April 2, 2012, average salary is the average annual rate of regular compensation received during the five consecutive years that produce the highest average, or, if greater, during the last five years (whether or not consecutive) preceding retirement. Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification. Members become vested after ten years of creditable service.

Employees who resign from service and who are not eligible to receive a retirement allowance or are under the age of 55 are entitled to request a refund of their accumulated total deductions. Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

Cost-of-living adjustments granted between 1981 and 1997 and any increase in other benefits imposed by the Commonwealth's state law during those years are borne by the Commonwealth and are deposited into the pension fund. Cost-of-living adjustments granted after 1997 must be approved by the Board and are borne by the System.

Postemployment Benefits

The MAPC administers a premium-based health care plan through the Commonwealth's Group Insurance Commission (GIC) which provides health insurance coverage for employees and their beneficiaries, and for retirees and survivors. Postemployment benefits paid by the GIC are funded by the Commonwealth. These on-behalf payments are not available from the Commonwealth and therefore have not been reported in these basic financial statements.

NOTE 9 – RISK FINANCING

The Council participates in a premium-based workers' compensation insurance plan for its employees, except for one case prior to plan commencement, and is self-insured for unemployment benefits. The liability for workers compensation and unemployment benefits, at June 30, 2017, was immaterial and is therefore not reported.

NOTE 10 – CONTINGENCIES

The MAPC participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of the Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although it is expected such amounts, if any, to be immaterial.

NOTE 11 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 2, 2018, which is the date the financial statements were available to be issued.

NOTE 12 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

During 2017, the following GASB pronouncements were implemented:

- GASB Statement #72, *Fair Value Measurement and Application*. Notes to the basic financial statements were changed to provide additional disclosure on fair value measurement.
- GASB Statement #73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. This pronouncement did not impact the basic financial statements.
- GASB Statement #76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This pronouncement did not impact the basic financial statements.
- GASB Statement #79, *Certain External Investment Pools and Pool Participants*. The basic financial statements and related notes were updated to be in compliance with this pronouncement.
- GASB Statement #74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This pronouncement did not impact the basic financial statements.

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which is required to be implemented in 2018.
- The GASB issued Statement #77, *Tax Abatement Disclosures*, which is required to be implemented in 2017.
- The GASB issued Statement #78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, which is required to be implemented in 2017.
- The GASB issued Statement #80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement #14*, which is required to be implemented in 2017.
- The GASB issued Statement #81, *Irrevocable Split-Interest Agreements*, which is required to be implemented in 2018.
- The GASB issued Statement #82, *Pension Issues – an amendment of GASB Statements #67, #68, and #73*, which is required to be implemented in 2018.

Management is currently assessing the impact the implementation of these pronouncements will have on the basic financial statements.

Required Supplementary Information

Pension Plan Schedule

The Schedule of the Special Funding Amounts of the Net Pension Liability for the Massachusetts State Employees Retirement System presents multi-year trend information on the liability and expense assumed by the Commonwealth of Massachusetts on behalf of MAPC along with related ratios.

This schedule is intended to present information for ten years. Until a ten-year trend is compiled, information is presented for those years for which information is available.

**SCHEDULE OF THE SPECIAL FUNDING AMOUNTS
OF THE NET PENSION LIABILITY
MASSACHUSETTS STATE EMPLOYEES' RETIREMENT SYSTEM**

The Commonwealth of Massachusetts is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers which creates a special funding situation. Since MAPC does not contribute directly to MSERS, there is no net pension liability to recognize. This schedule discloses the Commonwealth's 100% share of the collective net pension liability that is associated with MAPC; the portion of the collective pension expense as both a revenue and pension expense recognized by MAPC; and the Plan's fiduciary net position as a percentage of the total liability.

Fiscal Year	Commonwealth's 100% Share of the Net Pension Liability Associated with the MAPC	MAPC's Expense and Revenue Recognized for the Commonwealth's Support	Plan Fiduciary Net Position as a Percentage of the Total Liability
2017.....	\$ 21,608,834	\$ 3,000,995	63.48%
2016.....	18,502,978	2,069,538	67.87%
2015.....	11,483,064	816,566	76.32%

Note: this schedule is intended to present information for 10 years.
Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

NOTE A – PENSION PLAN

Pension Plan Schedules – MAPC

Schedule of the Special Funding Amounts of the Net Pension Liabilities

The Commonwealth of Massachusetts is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of MAPC which creates a special funding situation. The MSERS schedule discloses the Commonwealth's 100% share of the collective net pension liability that is associated with MAPC; the portion of the collective pension expense as both revenue and pension expense recognized by MAPC; and the Plan's fiduciary net position as a percentage of the total liability.

Other Supplementary Information

This page left intentionally blank.

COMBINING SCHEDULE OF INDIRECT COSTS

YEAR ENDED JUNE 30, 2017

	MAPC Direct	CTPS	Total
Salaries and wages.....	\$ 2,359,882	\$ 1,804,989	\$ 4,164,871
Employee benefits.....	278,429	235,291	513,720
Supplies.....	62,909	24,535	87,444
Office equipment and related maintenance.....	48,652	214,253	262,905
Depreciation and amortization.....	252,865	-	252,865
Premises.....	687,540	321,611	1,009,151
Communications.....	38,776	43,519	82,295
Accounting and auditing.....	40,500	-	40,500
Legal.....	4,685	219	4,904
Data processing.....	8,511	-	8,511
Temporary help.....	12,366	2,000	14,366
Other professional services.....	30,956	-	30,956
Meetings and conferences.....	54,610	2,550	57,160
Professional fees.....	20,178	5,222	25,400
Printing and copying.....	48,281	9,616	57,897
Travel.....	44,774	3,677	48,451
Interest.....	15,631	-	15,631
Miscellaneous.....	42,383	-	42,383
TOTAL INDIRECT COSTS.....	4,051,928	2,667,482	6,719,410
ALLOCATION OF MAPC DIRECT ADMINISTRATION SERVICES.....	(282,100)	282,100	-
TOTAL ALLOCATED INDIRECT COSTS.....	\$ 3,769,828	\$ 2,949,582	\$ 6,719,410
DIRECT SALARIES AND BENEFITS.....	\$ 3,105,990	\$ 2,915,536	\$ 6,021,526
INDIRECT COST RATE.....	121.37%	101.17%	111.59%

MAPC DIRECT FUND
 COMBINING SCHEDULE OF REVENUES AND EXPENSES
 YEAR ENDED JUNE 30, 2017

	Federal Grants						
	M0147	M0148	M0267	M0268	M0815	M0816	M0825
	FFY16 3C Highway Transportation Planning Grant	FFY17 3C Highway Transportation Planning Grant	FFY16 5303 Transit Planning Grant	FFY17 5303 Transit Planning Grant	Homeland Security FY14 NERAC	Homeland Security FY15 NERAC	Homeland Security FY14 Western Region
OPERATING REVENUES:							
Intergovernmental grants and contracts.....	\$ 157,562	\$ 490,796	\$ 83,965	\$ 197,994	\$ 132,124	\$ 852,423	\$ 111,768
Intergovernmental - Commonwealth pension support.....	-	-	-	-	-	-	-
Private grants and contracts.....	-	-	-	-	-	-	-
Charges for services.....	-	-	-	-	-	-	-
Member assessments.....	-	-	-	-	-	-	-
TOTAL OPERATING REVENUES.....	157,562	490,796	83,965	197,994	132,124	852,423	111,768
OPERATING EXPENSES:							
Direct Expenses:							
Salaries and benefits.....	73,131	220,555	48,240	111,554	1,149	46,526	-
Commonwealth pension support.....	-	-	-	-	-	-	-
Professional services.....	-	350	-	-	43,738	399,635	26,480
Equipment.....	-	-	-	-	86,150	349,632	85,288
Supplies.....	-	-	-	-	-	333	-
Communications.....	-	-	291	-	-	-	-
Travel.....	348	2,545	257	963	110	-	-
Meetings and conferences.....	500	475	-	-	-	-	-
Other.....	-	-	-	-	-	-	-
Sub-total.....	73,979	223,925	48,788	112,517	131,147	796,126	111,768
Indirect Expenses:							
Overhead allocation.....	88,761	267,694	58,550	135,396	1,395	56,470	-
CTPS administration services.....	-	-	-	-	-	-	-
Sub-total.....	88,761	267,694	58,550	135,396	1,395	56,470	-
TOTAL OPERATING EXPENSES.....	162,740	491,619	107,338	247,913	132,542	852,596	111,768
OPERATING INCOME (LOSS).....	(5,178)	(823)	(23,373)	(49,919)	(418)	(173)	-
NONOPERATING REVENUES (EXPENSES):							
Investment income.....	-	-	-	-	-	-	-
INCREASE (DECREASE) BEFORE TRANSFERS.....	(5,178)	(823)	(23,373)	(49,919)	(418)	(173)	-
TRANSFERS IN (OUT):							
Indirect costs transfers in - CTPS.....	-	-	-	-	-	-	-
INCREASE (DECREASE) IN NET POSITION.....	(5,178)	(823)	(23,373)	(49,919)	(418)	(173)	-

MAPC DIRECT FUND
 COMBINING SCHEDULE OF REVENUES AND EXPENSES
 YEAR ENDED JUNE 30, 2017

Federal Grants								
M0826	M0827	M0835	M0836	M0837	M0845	M0846	M0847	
Homeland Security FY15 Western Region	Homeland Security FY16 Western Region	Homeland Security FY14 Southeast Region	Homeland Security FY15 Southeast Region	Homeland Security FY16 Southeast Region	Homeland Security FY14 Central Region	Homeland Security FY15 Central Region	Homeland Security FY16 Central Region	
\$ 589,259	\$ 1,635	\$ 142,161	\$ 574,976	\$ 3,518	\$ 354,923	\$ 527,029	\$ 33,275	
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
589,259	1,635	142,161	574,976	3,518	354,923	527,029	33,275	
-	-	-	1,696	-	-	-	-	-
416,344	1,635	3,486	253,250	3,518	-	194,849	-	-
172,916	-	138,675	317,611	-	354,923	332,180	33,275	-
-	-	-	20	-	-	-	-	-
-	-	-	52	-	-	-	-	-
-	-	-	296	-	-	-	-	-
-	-	-	-	-	-	-	-	-
589,260	1,635	142,161	572,925	3,518	354,923	527,029	33,275	
-	-	-	2,059	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	2,059	-	-	-	-	-
589,260	1,635	142,161	574,984	3,518	354,923	527,029	33,275	
(1)	-	-	(8)	-	-	-	-	-
-	-	-	-	-	-	-	-	-
(1)	-	-	(8)	-	-	-	-	-
-	-	-	-	-	-	-	-	-
(1)	-	-	(8)	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MAPC DIRECT FUND

COMBINING SCHEDULE OF REVENUES AND EXPENSES

YEAR ENDED JUNE 30, 2017

	Federal Grants					
	M1070	M1140	M1149	M1187	M1205	M1220
	Homeland Security FY14 State Wide M&A/ Planning	Homeland Security FY15 State Wide M&A/ Planning	Department of Transportation Gas Leaks Grant	NARC Purchasing/ Procurement Process	Dept of Commerce EDA Grant FY17	Homeland Security FY16 State Wide M&A/ Planning
OPERATING REVENUES:						
Intergovernmental grants and contracts.....	\$ 67,266	\$ 443,625	\$ 42,590	\$ 49,296	\$ 70,000	\$ 24,978
Intergovernmental - Commonwealth pension support.....	-	-	-	-	-	-
Private grants and contracts.....	-	-	-	-	-	-
Charges for services.....	-	-	-	-	-	-
Member assessments.....	-	-	-	-	-	-
TOTAL OPERATING REVENUES.....	67,266	443,625	42,590	49,296	70,000	24,978
OPERATING EXPENSES:						
Direct Expenses:						
Salaries and benefits.....	29,125	109,354	14,742	21,353	46,062	8,336
Commonwealth pension support.....	-	-	-	-	-	-
Professional services.....	2,739	177,981	8,935	-	1,168	5,759
Equipment.....	-	2,493	-	-	-	-
Supplies.....	-	-	-	502	600	-
Communications.....	-	-	-	-	73	-
Travel.....	213	11,435	225	1,316	1,406	797
Meetings and conferences.....	-	10,043	412	289	27	-
Other.....	-	-	-	-	-	-
Sub-total.....	32,077	311,306	24,314	23,460	49,336	14,892
Indirect Expenses:						
Overhead allocation.....	35,350	132,726	17,893	25,916	55,906	10,117
CTPS administration services.....	-	-	-	-	-	-
Sub-total.....	35,350	132,726	17,893	25,916	55,906	10,117
TOTAL OPERATING EXPENSES.....	67,427	444,032	42,207	49,376	105,242	25,009
OPERATING INCOME (LOSS).....	(161)	(407)	383	(80)	(35,242)	(31)
NONOPERATING REVENUES (EXPENSES):						
Investment income.....	-	-	-	-	-	-
INCREASE (DECREASE) BEFORE TRANSFERS.....	(161)	(407)	383	(80)	(35,242)	(31)
TRANSFERS IN (OUT):						
Indirect costs transfers in - CTPS.....	-	-	-	-	-	-
INCREASE (DECREASE) IN NET POSITION.....	\$ (161)	\$ (407)	\$ 383	\$ (80)	\$ (35,242)	\$ (31)

MAPC DIRECT FUND
COMBINING SCHEDULE OF REVENUES AND EXPENSES
YEAR ENDED JUNE 30, 2017

Federal Grants				State Grants			
M1226	M1227	M1228		M0985	M1047	M1136	M1155
Homeland Security FY16 NE/SE Competitive Tech Rescue	Homeland Security FY16 NE/SE Competitive Active Shooter	Homeland Security FY16 WR/CR Competitive Tech Rescue	Sub-total	Metro Mayors 911 Call Center Grant	Bike Ped Safety Project	TA- Local Mode Shift Perf.	District Local Tech Assistance 16
\$ 24,070	\$ 16,787	\$ 94,972	\$ 5,086,992	\$ 10,000	\$ 44,569	\$ 17,555	\$ 331,967
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
24,070	16,787	94,972	5,086,992	10,000	44,569	17,555	331,967
-	-	-	731,823	-	-	4,614	160,740
24,070	16,787	94,972	1,675,696	10,000	44,568	6,578	5,871
-	-	-	1,873,143	-	-	-	-
-	-	-	1,455	-	-	-	30
-	-	-	364	-	-	-	334
-	-	-	19,667	-	-	-	3,623
-	-	-	12,042	-	-	-	344
-	-	-	-	-	-	-	-
24,070	16,787	94,972	4,314,190	10,000	44,568	11,192	170,942
-	-	-	888,233	-	-	5,601	195,095
-	-	-	-	-	-	-	-
-	-	-	888,233	-	-	5,601	195,095
24,070	16,787	94,972	5,202,423	10,000	44,568	16,793	366,037
-	-	-	(115,431)	-	1	762	(34,070)
-	-	-	-	-	-	-	-
-	-	-	(115,431)	-	1	762	(34,070)
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ (115,431)	\$ -	\$ 1	\$ 762	\$ (34,070)

MAPC DIRECT FUND
 COMBINING SCHEDULE OF REVENUES AND EXPENSES
 YEAR ENDED JUNE 30, 2017

	State Grants					
	M1173	M1174	M1175	M1208	M1211	M1214
	Lower Mystic Working Group	DPH - Seat Belt Legislation	Shannon Grant 2016	Climate Vulnerability Assessments	Vision Zero	META Green Communities Grant
OPERATING REVENUES:						
Intergovernmental grants and contracts.....	\$ 146,500	\$ 30,789	\$ 293,727	\$ 45,000	\$ 60,842	\$ 40,201
Intergovernmental - Commonwealth pension support.....	-	-	-	-	-	-
Private grants and contracts.....	-	-	-	-	-	-
Charges for services.....	-	-	-	-	-	-
Member assessments.....	-	-	-	-	-	-
TOTAL OPERATING REVENUES.....	146,500	30,789	293,727	45,000	60,842	40,201
OPERATING EXPENSES:						
Direct Expenses:						
Salaries and benefits.....	56,880	12,632	11,866	20,361	14,049	18,073
Commonwealth pension support.....	-	-	-	-	-	-
Professional services.....	20,700	2,495	272,147	-	29,759	-
Equipment.....	-	-	-	-	-	-
Supplies.....	-	-	-	-	-	-
Communications.....	-	-	-	-	-	-
Travel.....	95	-	159	-	35	259
Meetings and conferences.....	-	386	-	-	-	-
Other.....	-	-	-	-	-	-
Sub-total.....	<u>77,675</u>	<u>15,513</u>	<u>284,172</u>	<u>20,361</u>	<u>43,843</u>	<u>18,332</u>
Indirect Expenses:						
Overhead allocation.....	69,037	15,332	14,402	24,713	17,052	21,936
CTPS administration services.....	-	-	-	-	-	-
Sub-total.....	<u>69,037</u>	<u>15,332</u>	<u>14,402</u>	<u>24,713</u>	<u>17,052</u>	<u>21,936</u>
TOTAL OPERATING EXPENSES.....	146,712	30,845	298,574	45,074	60,895	40,268
OPERATING INCOME (LOSS).....	(212)	(56)	(4,847)	(74)	(53)	(67)
NONOPERATING REVENUES (EXPENSES):						
Investment income.....	-	-	-	-	-	-
INCREASE (DECREASE) BEFORE TRANSFERS.....	(212)	(56)	(4,847)	(74)	(53)	(67)
TRANSFERS IN (OUT):						
Indirect costs transfers in - CTPS.....	-	-	-	-	-	-
INCREASE (DECREASE) IN NET POSITION.....	\$ (212)	\$ (56)	\$ (4,847)	\$ (74)	\$ (53)	\$ (67)

MAPC DIRECT FUND
 COMBINING SCHEDULE OF REVENUES AND EXPENSES
 YEAR ENDED JUNE 30, 2017

State Grants						
M1231	M1237	M1241	M1244	M1246	M1252	M1253
MIM Food T-A	DPH- Mode Measurements Yr3	Beverly - CCERI- Resiliency Iimitative	DDER- LED Streetlight Rapid Retrofit	District Local Tech Assistance 17	Shannon Grant 2017	ERG- North Suffolk Health
\$ 34,999	\$ 56,294	\$ 5,038	\$ 39,633	\$ 160,973	\$ 24,977	\$ 19,422
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
34,999	56,294	5,038	39,633	160,973	24,977	19,422
15,092	23,772	2,263	17,568	78,926	2,134	8,558
-	-	-	-	-	-	-
783	-	-	-	-	19,941	-
-	-	-	-	-	-	-
-	3,760	-	-	380	-	-
-	-	-	603	24	-	125
495	-	36	187	1,971	320	338
366	-	-	18	270	-	45
-	-	-	-	-	-	-
16,736	27,532	2,299	18,376	81,571	22,395	9,066
18,318	28,852	2,747	21,323	95,794	2,590	10,387
-	-	-	-	-	-	-
18,318	28,852	2,747	21,323	95,794	2,590	10,387
35,054	56,384	5,046	39,699	177,365	24,985	19,453
(55)	(90)	(8)	(66)	(16,392)	(8)	(31)
-	-	-	-	-	-	-
(55)	(90)	(8)	(66)	(16,392)	(8)	(31)
-	-	-	-	-	-	-
\$ (55)	\$ (90)	\$ (8)	\$ (66)	\$ (16,392)	\$ (8)	\$ (31)

MAPC DIRECT FUND
COMBINING SCHEDULE OF REVENUES AND EXPENSES
YEAR ENDED JUNE 30, 2017

	State Grants						Subtotal	FY17 Assessments and Other Projects	Total
	M1255	M1264	M1268	M1283	Other State Projects				
	ERG- Magic Stormwater Partnership FY17	MIM Community Support	ERG- Online Permitting & Shared Data	Oral Health Equity Project					
OPERATING REVENUES:									
Intergovernmental grants and contracts.....	\$ 2,895	\$ 27,153	\$ 1,684	\$ 8,999	\$ 201,967	\$ 1,605,184	\$ -	\$ 6,692,176	
Intergovernmental - Commonwealth pension support.....	-	-	-	-	-	-	3,000,995	3,000,995	
Private grants and contracts.....	-	-	-	-	-	-	1,827,496	1,827,496	
Charges for services.....	-	-	-	-	-	-	1,453,540	1,453,540	
Member assessments.....	-	-	-	-	-	-	1,469,019	1,469,019	
TOTAL OPERATING REVENUES.....	2,895	27,153	1,684	8,999	201,967	1,605,184	7,751,050	14,443,226	
OPERATING EXPENSES:									
Direct Expenses:									
Salaries and benefits.....	1,258	7,272	673	4,072	77,839	538,642	1,835,525	3,105,990	
Commonwealth pension support.....	-	-	-	-	-	-	3,000,995	3,000,995	
Professional services.....	-	9,950	-	-	-	29,502	314,924	2,442,914	
Equipment.....	-	-	-	-	-	-	784	1,873,927	
Supplies.....	-	-	-	-	-	4,170	22,529	28,154	
Communications.....	-	-	-	-	-	1,086	5,597	7,047	
Travel.....	82	346	197	-	798	8,941	56,682	85,290	
Meetings and conferences.....	32	787	-	-	-	2,248	44,569	58,859	
Other.....	-	-	-	-	-	-	7,092	7,092	
Sub-total.....	1,372	18,355	870	4,072	108,139	1,007,381	5,288,697	10,610,268	
Indirect Expenses:									
Overhead allocation.....	1,527	8,826	817	4,942	94,475	653,766	2,227,829	3,769,828	
CTPS administration services.....	-	-	-	-	-	-	282,100	282,100	
Sub-total.....	1,527	8,826	817	4,942	94,475	653,766	2,509,929	4,051,928	
TOTAL OPERATING EXPENSES.....	2,899	27,181	1,687	9,014	202,614	1,661,147	7,798,626	14,662,196	
OPERATING INCOME (LOSS).....	(4)	(28)	(3)	(15)	(647)	(55,963)	(47,576)	(218,970)	
NONOPERATING REVENUES (EXPENSES):									
Investment income.....	-	-	-	-	-	-	4,427	4,427	
INCREASE (DECREASE) BEFORE TRANSFERS.....	(4)	(28)	(3)	(15)	(647)	(55,963)	(43,149)	(214,543)	
TRANSFERS IN (OUT):									
Indirect costs transfers in - CTPS.....	-	-	-	-	-	-	282,100	282,100	
INCREASE (DECREASE) IN NET POSITION.....	(4)	(28)	(3)	(15)	(647)	(55,963)	238,951	67,557	

(Concluded)

This page left intentionally blank.

CTPS FUND

COMBINING SCHEDULE OF REVENUES AND EXPENSES

YEAR ENDED JUNE 30, 2017

	Federal Grants						
	C0715	C0723	C0724	C0725	C0726	C0727	C1201
	MassDOT Title VI Program FY14	Travel Demand Modeling & Forecasting	Lower Mystic Regional Working Group	Section 405C Traffic Records Improvement	I-90/I-495 Interchange Traffic Analysis	South Coast Rail 2016	MassDOT 5303 2016-2017
OPERATING REVENUES:							
Intergovernmental grants and contracts.....	\$ 15,231	\$ 143,198	\$ 332,205	\$ 2,034	\$ 63,519	\$ 140,377	\$ 123,117
OPERATING EXPENSES:							
Direct Expenses:							
Salaries and benefits.....	7,715	74,650	167,039	1,003	31,335	69,249	58,273
Equipment.....	-	-	-	-	-	-	5,000
Travel.....	-	-	-	-	-	-	-
Sub-total.....	7,715	74,650	167,039	1,003	31,335	69,249	63,273
Indirect Expenses:							
General overhead.....	7,437	67,777	163,453	1,020	31,860	70,408	59,248
TOTAL OPERATING EXPENSES.....	15,152	142,427	330,492	2,023	63,195	139,657	122,521
OPERATING INCOME (LOSS).....	79	771	1,713	11	324	720	596
NONOPERATING REVENUES:							
Investment income.....	-	-	-	-	-	-	-
INCREASE (DECREASE) BEFORE TRANSFERS.....	79	771	1,713	11	324	720	596
TRANSFERS IN (OUT):							
Indirect costs transfers out - MAPC Direct.....	(746)	(7,223)	(16,162)	(97)	(3,032)	(6,700)	(5,638)
INCREASE (DECREASE) IN NET POSITION.....	\$ (667)	\$ (6,452)	\$ (14,449)	\$ (86)	\$ (2,708)	\$ (5,980)	\$ (5,042)

CTPS FUND

COMBINING SCHEDULE OF REVENUES AND EXPENSES

YEAR ENDED JUNE 30, 2017

Federal Grants								
C1301	C1318	C1501	C1517	C1601	C1617			
CTPS FY16 SPR Modeling Contract	MassDOT SPR #100160 2017-2018	3C Highway Planning Grant FY16	MPO 3CPL FFY17 #95411	MassDOT Transit 5303 FFY16 #91027	MassDOT Transit 5303 FFY17 #98873	Sub-total	FY17 Other Projects	Total
\$ 348,270	\$ 37,630	\$ 639,739	\$ 1,910,159	\$ 568,112	\$ 636,128	\$ 4,959,719	\$ 1,006,079	\$ 5,965,798
169,478	18,471	328,480	933,808	292,715	310,123	2,462,339	453,197	2,915,536
10,001	-	-	21,000	-	5,143	41,144	-	41,144
1,786	188	-	5,082	535	4,477	12,068	1,755	13,823
181,265	18,659	328,480	959,890	293,250	319,743	2,515,551	454,952	2,970,503
165,560	18,780	297,382	940,745	266,823	313,202	2,403,695	263,787	2,667,482
346,825	37,439	625,862	1,900,635	560,073	632,945	4,919,246	718,739	5,637,985
1,445	191	13,877	9,524	8,039	3,183	40,473	287,340	327,813
-	-	-	-	-	-	-	1,510	1,510
1,445	191	13,877	9,524	8,039	3,183	40,473	288,850	329,323
(16,398)	(1,787)	(31,783)	(90,353)	(28,322)	(30,007)	(238,248)	(43,852)	(282,100)
\$ (14,953)	\$ (1,596)	\$ (17,906)	\$ (80,829)	\$ (20,283)	\$ (26,824)	\$ (197,775)	\$ 244,998	\$ 47,223

(Concluded)